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THIS WEEK

Golden Rule of World Economics 3
North Brazil's Food Problem 4
Quinine's Dual Role in This Hemisphere 6
Fisheries of South America 8

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News by COUNTRIES

Argentina 16
Belgian Congo and Ruanda-Urundi 16
Bermuda 16
British West Indies 16
Canada 17
Chile 19
Costa Rica 19
Cuba 20
Ecuador 20
Egypt 20
France 20
French North Africa 20
Haiti 20
India 21
Mexico 22
Netherlands West Indies 22
Seychelles 22
Tanganyika 22
Turkey 22
Union of South Africa 23
Venezuela 23

News by COMMODITIES

Chemicals 24
Clay and Related Products 24
Coal 24
Construction 25
Electrical Equipment 25
Foodstuffs and Allied Products 25
Glass and Products 27
Iron and Steel 28
Leather and Related Products 28
Lumber and Products 28
Machinery, Other Than Electrical 29
Medicinals and Crude Drugs 29
Motion Pictures and Equipment 30
Nonferrous Metals 30
Office Equipment and Supplies 30
Oils and Oilseeds 30
Paints and Products 30
Petroleum and Products 30
Rubber and Products 31
Special Products 31
Textiles and Related Products 32
Tobacco and Products 33

REGULAR DEPARTMENTS

Export Control and Related Announcements 34
Trade-Mark Applications 40
New Books and Reports 38
Latin American Exchange Rates 37
Pertinent Comments on World Economy Today 17
Contributor's Column 34

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Golden Rule of World Economics

"The Prosperity of a Nation Is Beneficial to Its Neighbor—And the Poverty of One Nation Is a Misfortune to the World"

By Amos E. Taylor, *Director of the Bureau of Foreign and Domestic Commerce*[1]

IF I WERE TO BASE THIS DISCUSSION on a text, I could hardly do better than quote one of my former graduate teachers at the University of Chicago. In a pamphlet, "The Golden Rule Among Nations," Professor Andrew C. McLaughlin closed his essay with the following sentence: "If war taught nothing else than the golden rule of economics that the prosperity of a nation is beneficial to its neighbor, and the poverty of one nation is a misfortune to the world—if the war taught only the interdependence or unmistakable community of interest among nations—it taught a valuable lesson."

Since 1923, when these words were written, we have had many occasions for pondering their meaning. The breakdown in the world's exchange mechanism during the early thirties, the decline in the volume of goods and services which the peoples of the world found it possible to exchange on a basis of mutual benefit, the pressure on the internal economies of many countries and our inability to check the drift to war—all these reflect a failure to apply international remedies to cure international maladies.

Intricate Mechanism

The modern economic and industrial system is an intricate and interdependent mechanism of world-wide dimensions. Gear any important segments to war and you have the means of far-reaching destruction. The sources of power are drawn from the earth, from the sea, and from the air. Gear it to peace and its productive and creative possibilities are phenomenal. Why should we not enjoy its fruits in more leisure and a higher standard of living?

In time of war the modern industrial nation is a highly integrated economic organism. Combatant and noncombatant are equally important to its efficient operation. The distinctions of a century ago in contraband and noncontraband have disappeared. Virtually all articles of commerce are essential. The former distinction between weapons of war and foodstuffs has become blurred since technology and chemistry have made it possible to develop high explosives from animal fats, oils, grains, and other food products.

Complementary Relationships

The industrialism of the nineteenth century contributed much toward the development of an economically interdependent world. Raw materials from remote parts of the earth were moved thousands of miles into populated areas where machines and workers were concentrated for the purpose of turning these materials into finished products. The latter in turn were shipped to distant markets, oftentimes back to the same areas whence came the material ingredients essential to manufacture. During much of the nineteenth century a complementary relationship existed between these respective areas. Each produced what the other needed. Creditor nations found ready markets for their manufactured products in all parts of the world, including the less-developed areas which supplied many of the food products for the working populations and the raw materials for the factories. Debtor countries had a market for their mineral and agricultural products, thus enabling them to pay the interest and dividends on the obligations representing the investments of the creditor countries. Goods moved rather freely, standards of living improved, and the world was relatively free of major wars.

Great Changes Now

These complementary economic relationships of the nineteenth century do not exist today. Not only have two world wars created serious distortions in the world economy, but modern technology as well as advances in communications and transportation have made the world economy much more dynamic. International collaboration is absolutely essential if we are to assure ourselves that the utilization of our vast resources and our means of drawing boundless energy from many sources are to be directed toward constructive rather than destructive ends.

First of all, goods must be permitted to move, and in large volume. When we consider that productive capacity is potentially unlimited and that modern technology and means of transportation enable us to move an almost limitless volume of goods, it would seem that the need for a broad exchange of goods and services would be taken for granted. Yet the solution may not be easy. The price which it is necessary for each nation to pay as its contribution to a well-functioning economic world is less easily accepted and certainly less well understood than is the price each must pay for national safety in time of emergency.

Toward a Stable Order

Toward the attainment of a stable economic world order each nation must contribute according to its economic strength, its resources, and its ability to develop a national consciousness of the goal ahead and of the implications of failure. Economic strength is a measure of responsibility, and the part that the United States must play cannot be minimized. By the same token the major powers, in their collective strength, have a correspondingly great responsibility to see to it that the resources and energy under their control are utilized for the benefit and gain of all nations.

The history of the past two decades has amply demonstrated that economic progress is seriously retarded whenever the forces which have turned the world into an interdependent unit are subjected to controls that check the international movement of goods and services. These have constantly exerted a growing pressure upon the balance-of-payments position of the less self-sufficient countries. These controls have produced social and economic upheavals which inevitably contained the germs of international conflict.

Maintaining Economic Health

At this point we can all the more readily appraise the position of the United States in the world economy.

(Continued on p. 39)

[1] This article is based on a recent address by Dr. Taylor, on post-war international economic interdependence.

North Brazil's Food Problem

Cordial Cooperation, in Good-Neighbor Spirit, Solves Many Thorny Phases of Difficult Dilemma

By KENNETH W. BAKER, *Food Supply Division, Office of the Coordinator of Inter-American Affairs*

AMONG THE MORE URGENT supply problems which arose in the Western Hemisphere after Pearl Harbor was a food shortage in northeastern and northern Brazil. This vast area—about two-thirds the size of the United States—had imported much of its food by boat from southern Brazil, many hundreds of miles away. Communities 2,000 miles or more up the Amazon imported such staples as flour all the way from the United States.

When shipping was diverted to war tasks, and U-boats swarmed to attack American supply lines after Pearl Harbor, the food supply prospect for the northern Brazilian areas took a sharp turn for the worse.

The Vital "Bulge"

Moreover, the northern and northeastern sections of Brazil became of vital strategic importance to the Americas and the United Nations. Jutting toward Africa, only about 1,600 miles distant, was the celebrated Brazilian "bulge," a logical line of approach for an Axis invasion of the Western Hemisphere by air. The "bulge" also guarded the sea lanes to the South Atlantic, heavily traveled by United Nations supply vessels while Mediterranean routes were closed under Axis control.

From the standpoint of military strategy, Brazil's northeastern coast was undoubtedly one of the most important areas in the Western Hemisphere. Among other advantages, it offered a convenient air route for transport of planes, men, and equipment from the United States to northern Africa and other fighting fronts. The U-boat war on Western Hemisphere supply lines added to the value of the air-transport route by way of the "bulge." As a result, this became one of the busiest crossroads of air traffic in the world. Natal, Belem, Recife, became familiar places along United Nations communications lines to the arsenals of the Americas. The story of this air traffic by way of northern Brazil now has become well known. It has given dramatic emphasis to the increasing part air transport is playing in linking the Americas.

Drain on Food Supplies

But air transport could not solve northern Brazil's food problem. That was too big. Defense forces increased at air and naval bases. Military construction required many civilian workers. Notable as a chapter of inter-American cooperation in defense of the hemisphere has been the collaboration of Brazilian and United States forces in guarding and developing such important areas as the "bulge." But all this increased the drain on *local food supplies* at a time when shipping was getting short for the importation of foodstuffs.

Still another burden on local food supplies was the influx of workers for the expansion of rubber production in the Amazon Valley. To the Amazon, and its millions of wild rubber trees, the United States looked as its most important potential source of natural rubber to replace rubber lost in the Far East. Brazil, as part of its collaboration in the development of strategic resources, undertook to encourage the migration of thousands of workers to augment the Amazon rubber-gathering force.

Likewise of potential importance to the United Nations were millions of oil-bearing trees in northern Brazil. With shipping, the Brazilian forests could replace a substantial part of the vegetable oils which had been imported from the Far East before the fall of Singapore and the Netherlands Indies.

In short, the northern Brazilian area—from Bahia to Belem and from Belem more than 2,000 miles up the Amazon to the slopes of the Andes—suddenly increased in importance both for military strategy and for the production of strategic materials.

Sharp Shortages Felt

All through the spring and summer of 1942 U–boats hammered at the Caribbean and Atlantic supply routes to the American arsenals. Ships went out of inter-American trade into war service. Air traffic increased by way of the "bulge." Rommel, in North Africa, was trying to break through to the Suez Canal and the Near East. The invasion of North Africa was in preparation. Brazil, with aid from the United States, moved to speed the development of the sprawling Amazon country to help answer the United Nations' cry for rubber.

And, in the food situation, the stir of eventful times along the "bulge" and the Amazon was reflected in diminishing supplies, rising prices, complaints of shortages. The armed forces, especially, wanted vegetables, fruit, eggs, meat.

C. I. A. A. photo

People of North Brazil show keen interest in the Victory Garden movement initiated by the Brazilian-American Commission.

Logically, it was another matter for Brazilian-United States cooperation, within the framework of inter-American cooperation laid down at the Rio de Janeiro Conference of American Foreign Ministers, shortly after Pearl Harbor.

Tackling the Problem

In recognition of the food emergency which had arisen in the hemisphere after Pearl Harbor, a food-supply division was organized in the Office of the Coordinator of Inter-American Affairs. The first agreement in the food-growing work, which subsequently was extended to include nine of the other American Republics, was signed with Brazil on September 3, 1942, in the midst of northern Brazil's crucial period. Yet to become apparent was the turning of the war tide with the rout of Rommel in Africa, the German defeat at Stalingrad, the rolling back of the Japanese in the Solomons. Northern Brazil and the "bulge," in September 1942, bulked large on the maps of global strategy. And it needed more *food*, more *local production* of food, while shipping was short and U-boats prowled outside in the Atlantic.

So the agreement for a food-growing program in northeastern and northern Brazil, from Bahia around the "hump" and up the Amazon to the rubber forests, was signed in Rio de Janeiro. The signers were Oswaldo Aranha, Minister of Foreign Affairs, and Apolonio Sales, Minister of Agriculture, on the part of Brazil; Ambassador Jefferson Caffery and Nelson A. Rockefeller, Coordinator of Inter-American Affairs, on behalf of the United States. This agreement called for a joint $4,000,000 fund, equally contributed, with technical aid from the United States to supplement Brazil's agricultural specialists. The agreement ran for 2 years. A Brazilian-American Food Commission was established.

Thus a notable achievement in inter-American cooperation got under way. A mission of United States agricultural specialists was assembled by the Coordinator's food-supply division. I served as assistant chief of this party, under Kenneth J. Kadow, who is still busy with the work in northern Brazil.

Gratifying Results

Now, in the second year of this work, the productive soil, the climate and timely rains of Brazil, with the organizing touch of man, the labor of Brazilian farmers, and the help of farm tools, have yielded sufficient increase in food supplies to eliminate substantially the food shortages which existed at the outset of the program.

In fact, in certain areas a surplus of food has been produced. In the Maranhao area, when I left Brazil recently, there was a surplus of about 30,000,000 pounds of rice, available for export or for storage. In the State of Alagoas, south of Recife, there was a surplus of 3,000,000 pounds of black beans.

There is plenty of land in northern and northeastern Brazil for expansion of cultivation. The principal elements lacking are transportation and farming equipment. In some years, moreover, devastating droughts destroy crops. Except for staple tropical crops, like cocoa and sugar, farming is largely on a subsistence basis. The big production of foodstuffs is in southern Brazil.

C. I. A. A. photo

The work in the Brazilian rubber industry is hard—and adequate food supplies for such workmen as these are utterly vital.

How much of the vast Amazon country is suitable for farming is a matter of debate among agriculturists who have studied the basin. Large portions of the lowlands are flooded in the rainy season. The heavy rainfall washes out soil from the higher ground. Still, there is ample evidence that additional food can be produced, particularly in the fertile lowlands, in event of need. And that need has existed since Pearl Harbor. Brazil has long-range colonization plans for the Amazon. This colonization includes the development of farming, as well as of strategic forest resources, such as rubber, hardwoods, and vegetable oils.

How the Change Was Wrought

More than 2,000 Brazilians, assisted by 18 specialists from the United States, have worked to increase the food supplies of the northern and northeastern States. Results were accomplished through a variety of aids and stimuli, adapted to local conditions and needs. Where needed, seeds, small tools, and other equipment were distributed. Many small production loans were made. Demonstration farms were established.

Storage for staple crops, such as grains, was required. About 1,000 silos were provided for storage of grain. In addition, 29 rice mills were installed. Brazil is a big rice producer. Its rice surplus makes a welcome addition to United Nations food supplies. Weather has favored the rice crop. Tools, silos, and other equipment came largely from Brazil.

Altogether, the food commission made available to farms about 120,000 hand tools, plus 200 tons of insecticides and fungicides. Seed distribution included 10,310 pounds of vegetable seeds and 6,810,000 pounds of seed corn, rice, and beans. As a result, approximately 325,000 additional acres were planted to the main food staples—rice, corn, beans, and mandioca.

These staples are in truth the staff of life for the people. The increased production of staples is the outstanding accomplishment of the program. At the same time, the defense forces, particularly United States forces who had brought their own eating habits to Brazil, raised the demand for vegetables, for pork and poultry products. These requirements were met by special production projects. A Victory Garden campaign was started. This program, plus commercial production efforts, resulted in the planting of about 15,000 acres to vegetables, which made a useful addition to food supplies. For the Victory Garden campaign, 50,000 packages of seed and 400,000 fruit and vegetable plants were distributed. Also, 190 school demonstration gardens were established.

Poultry and Pork

Early in the program, attention was turned to poultry as a quick means of increasing the supply of protein food. Warren C. Newton, an experienced poultry producer from the State of Delaware, went to Brazil on request of the commission and made a survey of poultry needs. Further work on poultry plans was done by Carlos Castro, Brazilian poultry specialist; Dr. H. H. Alp, poultry specialist from the University of Illinois; and J. R. Redditt, poultry specialist from the University of Nebraska.

Now there are 22 poultry establishments working in the food program. These have a capacity of about 39,000

(Continued on p. 35)

Quinine's Dual Role in This Hemisphere

Working Together, Toward Goals of Common Betterment, American Nations Spur a New Economic Enterprise That Involves Vital Factors of Health, Energy, Well-Being

By Earl N. Bressman, *Director, Inter-American Institute of Agricultural Sciences*

OF THE MANY SUDDEN TWISTS and turns in world economy resulting from this war, one of the most interesting is the revival in the Americas of cinchona, the source of quinine. Cinchona has a romantic history dating back more than 400 years to its discovery in Peru as the "fever" tree whose bark, when ground to powder, has miraculous effect in curing malaria. Now global war imparts new meaning to the curative powers of quinine. As the experience of American soldiers at Bataan in the Philippines has shown, malaria can be as effective as bullets in weakening an army. The "fever" tree which Spaniards found in Peru more than 400 years ago means health and life to thousands of men fighting in malaria-infested areas.

And, by a curious chain of events, the revival of cinchona in the New World has come to be linked closely with the return of another native of the American Tropics—the Hevea rubber tree. On rubber, too, the outcome of this global war depends heavily. Mechanized warfare rolls on rubber tires. Rubber enters into war equipment in a multitude of ways. And the magic of the chemical laboratory, in producing a synthetic substitute for nature's product, has not succeeded yet in crowding out entirely natural rubber. On the contrary, natural rubber still is required in substantial quantities, not to mention the undecided long-range battle between the natural and the synthetic product on the point of cost.

Revivals Coincide

Now the revival of both rubber and quinine for large-scale commercial development in the tropical Americas coincides. Nature thoughtfully put within easy reach of the American Tropics a remedy for the worst scourge of the rubber-producing country—malaria. The Americas need quinine in order to increase production of rubber. The greatest potential source of natural rubber for the United States, at least in the immediate future, is South America's vast Amazon Basin. And expansion of rubber collection in this sparsely inhabited area is primarily a matter of increasing rubber-tapping forces.

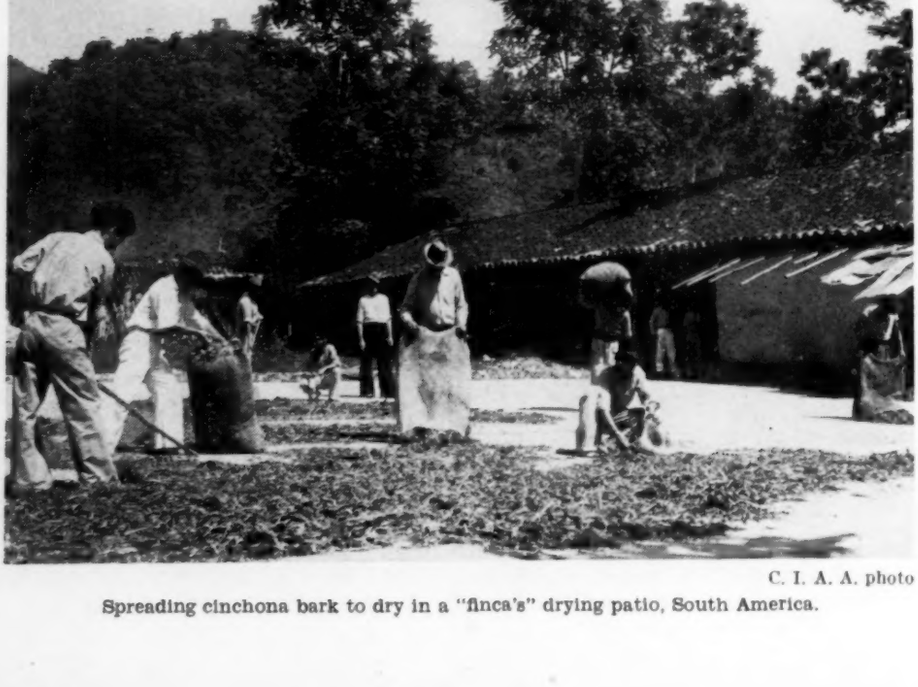
Transportation, food supply, and disease problems all turn on the human factor in Amazon development. One of the first requirements arising out of the development of Amazon rubber after Pearl Harbor was the need for antimalarial drugs. Rubber development in the Americas, in fact, has resulted in additional demand for quinine overshadowed only by the requirements of the fighting men in the South Pacific, Africa, and other tropical and subtropical climates.

Quinine's Role

Global war, fought in the heat of the equator as well as the icy grip of the Arctic, has emphasized the value of quinine to man. It has shown the Americas—as nothing ever did before—why they should establish firmly in this hemisphere a quinine-producing industry, certainly large enough to supply the home needs of the American republics. Latin America, particularly, requires an-

EDITOR'S NOTE

In the issue of Nov. 6, 1943, Foreign Commerce Weekly published a feature article, by T. W. Delahanty and E. D. Schutrumpf, on "Quinine After the War"—presenting a wide-ranging survey of this major problem in the field of therapeutics and of economics as well. The present article by Dr. Bressman serves to throw additional light on what is being done, in the Americas specifically, to help attain some of the goals visualized in our earlier discussion.



C. I. A. A. photo

Spreading cinchona bark to dry in a "finca's" drying patio, South America.

timalarial drugs. Inter-American cooperation in the development of hemisphere resources finds a peculiarly appropriate project in the reestablishment of quinine in South and Central America on a firm and lasting basis. An abundant and low-cost supply of quinine can become a blessing to the American peoples, yielding results beyond the commercial value of cinchona as a cash-income crop.

Commercially, the importance of rubber far outweighs that of quinine. In value, quinine ordinarily represents only a fraction of the hundreds of millions of dollars the Americas formerly spent for rubber in the Netherlands Indies and Malaya. And, as in rubber, the Americas had come to rely almost entirely on the Far East for quinine. With the help of scientific improvement of the cinchona plant, the Netherlands Indies had wrested the quinine market from Latin America.

A Perilous Risk

What this meant to the peoples of the Americas, as a life-and-death matter, now is evident. The cinchona plantations of the Netherlands Indies have fallen into enemy hands. The disadvantages of over-concentration of production in one place are clear. There is also the question, which existed before Japanese control of the Netherlands Indies, as to whether more competition was desirable in the world market, to lower the cost of quinine.

A soundly organized plantation industry in the Americas, many felt, would help reduce quinine prices to meet one of the essential drug needs of the Americas. As with rubber, we can see now that in becoming almost entirely dependent for quinine supplies upon sources outside the Western Hemisphere we were taking a long risk—a risk which comes high in terms of human life and happiness.

Aspects Human and Economic

The new development of a cinchona industry in Latin America, therefore, holds unusual interest. Perhaps the production of cinchona bark as a source of quinine will not, for some time, make an industry with annual returns of much more than $1,000,000. Rubber, on the other hand, could return American growers many times that amount, once it has become intrenched as an efficient plantation industry. Fibers, vegetable oils, tropical hardwoods also tower above quinine in commercial significance. It is the human aspects—the medical value of quinine to malaria-ridden areas—which impart special meaning to the development of an American cinchona industry.

Cinchona has a double role to play in the development of the American Tropics. As a cash crop, it will add to the income and buying power of Latin America. From the southern part of the United States all the way south into the temperate zone of South America, quinine has a market. There is no doubt that it enters readily into inter-American trade.

C. I. A. A. photo

Colombia: Weighing cinchona bark brought in by workmen to the hacienda.

To Combat Disease

But more important in the long run is the contribution quinine can make to the economic development of the American Tropics. One of the major obstacles to this development is disease, particularly malaria. Recognition of the disease factor has found expression in the organization of the inter-American health and sanitation program. This program, recommended by the Rio de Janeiro conference of American foreign ministers, is proceeding in 18 of the other American republics in cooperation with the United States to support economic projects.

Low-cost quinine can be a great boon to the tropical and subtropical areas of the Western Hemisphere in aiding the development of their abundant resources for mutually beneficial inter-American trade. One way to get low-cost quinine for the American peoples, I am convinced, is to foster the cinchona industry in South and Central America, based on scientific improvement of plant species and efficient plantation organization.

Dramatic Migration

What scientific culture can do in the improvement of plant species is illustrated by the history of cinchona and its migration to the Far East. For more than 300 years after the Spaniards found it in Peru, cinchona bark was gathered mostly from wild trees on the slopes of the Andes, in Colombia, Ecuador, Bolivia, as well as Peru. Then, with the increasing scarcity of the bark and appreciation of its medical value, the Netherlands and British Governments became interested in establishing cinchona plantations in their Asiatic colonies. Seeds from South America were sent to the Far East. A hunt started for superior types of cinchona. The winner in this hunt was Charles Ledger, an Englishman who had lived in Peru and Bolivia for 20 years. He obtained seeds of a superior strain in 1865. Transplanted to Java, these seeds produced trees whose bark had a higher quinine content than any grown previously. These became the basis for the profitable cinchona plantation industry of the Netherlands Indies. The strain now is well-known as cinchona ledgeriana, after its originator.

Starting a New Chapter

And now unfolds another chapter in the romantic story of cinchona. By a fortunate incident of this war, the Americas opportunely have a stock of high-quality ledgeriana seedlings for the quinine industry rising in Central and South America. Just before the fall of Bataan, Col. Arthur F. Fischer, now liaison officer of the War Department with the United States Foreign Economic Administration, escaped in a Flying Fortress from the Philippines with 2,000,000 of the ledgeriana type of cinchona seeds. These seeds were brought to Washington, and planted temporarily in the United States Government plant

(Continued on p. 37)

Fisheries of South America

By MURRAY FRANK, *Acting Chief, Processed-Foods Supply Unit, Supply and Resources Division, Foreign Economic Administration*

THE PEOPLES of our neighbor continent to the south have a universal liking for fish, but their demand for sea food transcends the normal channels of their production of this valuable protein food. Under-development, and in some instances total absence, of commercial fisheries necessitated, in past years, large imports of fishery products which, in part, satisfied local demands. South American countries, without exception, were deficit areas so far as self-sufficiency of fishery products was concerned—that is, until recently. Since 1942 the situation has been changing gradually. During that year, at least two countries, Argentina and Chile, exported more fish than they imported. At least three more, Brazil, Peru, and Venezuela, underwent a similar change in 1943. To be sure, the major reason why these countries have exported more fish than they imported is because the traditional import products and the means of transportation were disrupted.

With its potential fishery resources of the Atlantic and Pacific Oceans and its numerous rivers and lakes, South America is gradually attaining a state of self-sufficiency in fish products. But what is perhaps more important, at this time, is the possibility of South America's emergence in the not too-distant future into a position of supplying large quantities of fish to its neighbors in Central America and the Caribbean area, where the demand for fish is even greater. This will, of course, be realized only through the continued development of its fisheries.

Continental South America comprises 13 countries, 11 of which have direct access to the Atlantic or the Pacific. Argentina, Brazil, Chile, Colombia, Peru, and Venezuela have extensive coast lines. Bolivia and Paraguay, two inland countries, have within their boundaries large rivers and lakes which are known to have fishery resources. Notwithstanding this huge reservoir of potential fishery resources in South America, and a general liking for fish throughout the continent, fish products constitute a minor part of the South American diet, except in a few areas.

Not until recent years has there been any concerted interest displayed by both the people and the governments in the development of their fishery resources. Consequently, statistics pertinent to fish catch, production of canned and cured products, consumption, and similar information, are practically non-existent for a number of countries. At best, the information is fragmentary. The one exception is the data on foreign trade in products of the fisheries, contained in the official trade reports of the various governments.

One of the greatest difficulties encountered in the study recently carried out by the FEA was in the attempt to estimate the consumption of fish in each country. In order to approach a greater degree of accuracy, it was decided to base consumption estimates on the edible portion of the catch, plus imports and exports. Taking into consideration the nature and kind of fish caught or imported by South American countries, the following system of conversion was decided upon:

(1) From fresh to edible portion: reduce weight by 50 percent.

(2) From cured to edible portion: increase weight by 50 percent.

(3) Canned fish: equals 100 percent edible weight.

Only in recent years (largely because of war conditions) have the peoples of our neighboring continent begun to realize that the waters of the Atlantic and Pacific coasts, and of the lakes and rivers, are a source of *great wealth*. The shrinkage in imports of needed supplies of fish from abroad was a determining factor in focusing attention on the development of domestic fish supplies. From a state of indifference, the situation has changed to one of great interest in fishery developments, a change which is referred to by an Argentine publication as "a true maritime consciousness."

Rapid progress is at present being made in several countries, notably Peru, Venezuela, Argentina, Chile, and Brazil. Factors affecting fishery development vary within each of these countries, but in one respect the factors hindering increased production are the same for all: most of the fish are caught by fishermen operating on a small scale. The number of large-scale producing units is insufficient. In fact, there is a general shortage of all types of fishing gear, particularly adequate boats, fuel, and tackle needed for deep-sea fishing.

Notable strides have been made in canning and curing fish. Argentina, Brazil, Peru, and Venezuela all show a greatly increased production of canned and cured fish for the years 1942 and 1943. Before 1942, domestic production of canned and cured fish supplied a minor part of the continent's requirements, and comparatively little of it was exported.

ARGENTINA

Argentina's coast line along the Atlantic extends over a length of 1,650 miles. The shelves or platforms in the ocean along the Argentine coast are rich in marine life. The Patagonian shelf is similar to that of the North Sea, and it is claimed by experts that it is even richer in edible species of fish. This region, extending from the Rio Negro south to Tierra del Fuego, is believed to offer great fishing possibilities. Actually, however, only whale and seal hunting in a small way is carried on along the Patagonian coast, because of the lucrative trade in sealskins, whale oil, and the various by-products obtained. There is little or no fishing in this region for eating purposes, except for immediate local use.

The principal Argentine sea-fishing center is located at Mar del Plata, south of the La Plata estuary. The area around Bahia Blanca, in the southern part of Buenos Aires Province, is rapidly becoming a very important fishing center. There is also a wealth of trout, shad, and other edible species in the rivers and lakes. Among the larger rivers of the country are the La Plata, Parana, Uruguay, Colorado, Negro, and Chubut. There are also a number of large lakes, the most important of which are Mar Chiquita in the Province of Cordoba and Nahuel Huapi in the territory of Rio Negro.

Argentine Catch Mounting

The pre-war annual fish catch in Argentina ranged between 110,000,000 and 120,000,000 pounds. While this is a sizable amount, it is far from sufficient to make possible very large exportable surpluses. The catch, however, has been increasing annually. For the years 1941 and 1942 the catch averaged approximately 10,000,000 pounds more than that of the 3 years immediately preceding. One of the factors hindering expansion of fish production is the lack of fishing gear, nets, cables, boats, and gasoline. An official Argentine publication, Argentine News, estimated that with the present equipment the fish catch could be increased to about 100,000 metric tons (220,000,000 pounds), or almost double that of the average production for 1937-42 (122,000,000 pounds).

The Argentine fish-canning industry is centered at Mar del Plata and Buenos Aires. The canning industry is relatively a new industry in Argentina. In 1934, Argentina had 12 fish canneries, which produced 2,273,000 pounds of canned fish. In 1939, 7,099,000 pounds were produced. Present production is estimated at about 10,000,000 pounds. The recent expansion in the fish-canning industry is attributable directly to the war. Between 1937 and 1942, imports of canned fish decreased from 8,212,000 to 360,000 pounds. Anchovies remain the major fish item canned, but the industry is now preserving a great variety of fish and is replacing many foreign products on the Argentine market.

Preparing shark hides, Venezuela. The hides are all carefully removed and "fleused" on a beam to remove fat and flesh.

A list of more important species now being canned includes: anchoita (small anchovy), besugo (sea bream), boqueron (anchovy), corvina (croaker), congrio real (royal conger), lisa (mullet), merluza (hake), pejerrey, palometa (river bream), pez azul (bluefish), almejas (clams), camarones (small shrimp), and mejillones (mussels). There were 14 fish canneries in Buenos Aires in 1942 and 11 in Mar del Plata. No information is available regarding the potential production of Argentine fish canneries. Lack of tin plate limits the Argentine fish pack.

Cured-fish production in Argentina in recent years has been as follows: 1940, 50,706,000 pounds; 1941, 57,320,000 pounds; 1942, 61,729,000 pounds; average, 56,585,000 pounds.

As in the case of canned fish, the rise in production is attributable to the sharp decline in cured-fish imports. Merluza (hake) and corvina are used in the preparation of a local cod-type dried and salted fish, while anchoita replaces imported cured sardines. Local production is sufficient to meet the demand for cured fish and may even have provided a small exportable surplus in 1943.

Trade Position Reversed

Prior to 1942, Argentina was one of the largest fish-importing countries in South America, averaging about 16 pounds of imports for every pound exported. In 1942, exports more than doubled imports, placing Argentina for the first time on a net exporting basis. During the entire period 1937–42, however, Argentina was a deficit country. The most important individual import items are dry-salt codfish, canned sardines, herring, and canned oysters. The bulk of pre-war fish imports came from Spain, Norway, the United Kingdom, Portugal, Iceland, the Netherlands, and the United States. Since 1940, Portugal, Norway, Japan, Iceland, Spain, the United Kingdom, and the United States were the major sources of supply. In pre-war years, fish were exported chiefly to Brazil, Uruguay, and Italy. Since 1940, the United States is getting about two-thirds of Argentina's fish exports, though sizable quantities still go to Brazil and Uruguay.

As for 1943, local production was sufficient to meet consumption requirements and provide an exportable surplus. Argentine exporters recently estimated maximum production of canned fish for export in 1943 at 550,000 pounds, but the shortage of tin plate probably limited it to about 300,000 pounds.

Consumption of fish in Argentina, estimated on an edible basis, was 76,446,000 pounds annually for the period 1937–42. The per capita consumption on the same basis, for a population of 13,500,000, was 5.7 pounds. In 1942, however, the per capita consumption decreased to only 4.6 pounds—which was due to the sharp decrease in imports and to the relatively large exports.

BOLIVIA

Information on the fishing industry in Bolivia is not available except for import statistics to the end of 1941. No estimate of the fish catch is obtainable. Although Bolivia has no direct access to either the Atlantic or Pacific, fishing is known to exist in Lake Titicaca, along the border between Bolivia and Peru. There are several other lakes in Bolivia, the largest of which is Lake Poopo. Bolivia is the source of several large South American rivers. The Pilcomayo River has its beginnings near Lake Poopo. The rivers Beni and Mamore, large tributaries of the Amazon, have their origin in the Bolivian Andes. The Itenez River separates Bolivia from Brazil. Other smaller rivers traverse the country in various directions.

According to Bolivian trade reports, the country imports only canned and cured fish, but no fresh fish. This may indicate a catch sufficiently large to answer local needs. Its average imports of 2,351,000 pounds are equivalent to 2,553,000 pounds on a fresh edible basis. Canned fish, mainly sardines, account for 83 percent of all imports, while dry-salt fish (probably cod) make up the remainder. The bulk of Bolivia's fish imports, in pre-war years, came from Japan, the United States, Chile, and Norway. During 1940 and 1941, two-thirds of the imports came from the United States, though large quantities of fish were still imported from Japan and Chile. No exports of fish are reported in official Bolivian trade statistics.

Consumption of fish in Bolivia was estimated only on the basis of imports, which accounts for the low per capita consumption of 0.7 pound for an estimated population of 3,500,000. Taking into consideration the limited potential fishery resources, it may be assumed that the per capita consumption from all sources is very little more than about 1 pound per year.

BRAZIL

The coast line of Brazil, from the French Guiana border to that of Uruguay, extends over a length of approximately 4,900 miles. Brazil's network of rivers includes 27,318 miles of navigable waterways, thousands of miles of unnavigable rivers, and many lakes. The resources of these inland waters are still far from being fully utilized. With the exception of Rio Grande do Sul and Rio de Janeiro, no especially *outsanding* fishing area has been developed, since the *entire* coast line is one long fishing area. Commercial fishing, however, seems to center near certain large ports and inland river cities. Brazil's fishing centers may be divided into four major areas:

Amazon Region: This includes the States of Amazonas and Para. Its coast line extends from French Guiana to the State of Maranhao, but of greater importance is the Amazon and its tributaries. Major urban fishing centers are at Manaos, located at the confluence of the Amazon and the Rio Negro, and Belem at the eastern end of the Amazon estuary.

Northeastern or "Bulge" Region: From Maranhao along the Atlantic "bulge" to Rio de Janeiro. Major fishing centers in this huge area are: Sao Luiz in Maranhao; Fortaleza in Ceara; Joao Pessoa in Paraiba; Recife in Pernambuco, Maceio in Alagoas; Salvador in Bahia, and lesser points.

Rio de Janeiro Area: Includes the State and Federal District of Rio de Janeiro and the State of Sao Paulo. Fishing centers are Rio de Janeiro, the Federal District, and Santos, in the State of Sao Paulo.

Rio Grande do Sul Area: Includes the States of Parana, Santa Catarina, and Rio Grande do Sul, the last of which is the most important. Fishing centers here are: Florianopolis, State of Santa Catarina, Porto Alegre on Lake dos Patos, and Rio Grande.

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Brazil Shows Steady Increase

The annual fish catch of Brazil averaged 138,000,000 pounds for the years 1939–42. It has steadily increased from 118,000,000 pounds in 1939 to 150,000,000 pounds in 1942. This is the largest catch for any of the South American countries. The Amazon region has vast fishery resources and a large variety of fish. Only two species are used for commercial processing: the pirarucú and an aquatic mammal, the peixe-boi (seacow). The most important species sold in the fresh-fish markets are the pescado (small hake) and the tucunare.

The most common species of the "Bulge" area are: garoupa (grouper), bicuda (barracuda), and the voador, which is dried and sent to the interior where it is a favorite fish of laboring groups. In Paraiba and Rio Grande do Norte, albacora (swordfish) is caught in large quantities. Shrimps are caught and dried along the coasts of Maranhao, Ceara, and Bahia. Large quantities of crabs, clams, shrimps, spiny lobsters, and turtles are caught and consumed in Alagoas, Pernambuco, and Para. Sharks are found along the whole Brazilian coast, and shark meat frequently appears on the markets of Sao Luiz, Cabedello, Ilheos, Rio de Janeiro, Santos, Florianopolis, and Rio Grande.

In the Rio de Janeiro and Rio Grande do Sul areas, sardines are very abundant. Other fish caught in this region are: anchovy, grouper, taínha (mullet), bagaré (sold as salmon), corvina, shrimps, and other species. Brazil's South Atlantic coast is considered as its best fishing ground.

Organization, Federal Action

Under legislation in effect since 1912, the fishermen of Brazil are organized into associations (colonias), subdivided into zones closely following the boundaries of seaboard States. The colonias are under the jurisdiction of the Ministry of Marine for national defense purposes, but matters relating to the fishing industry are subject to control by the Ministry of Agriculture. Recently, fishermen's cooperatives were established in the principal fishing areas. Membership is obligatory.

Article 5 of the Brazilian fishery code, amended November 10, 1939, stipulates that "only Brazilians are permitted to engage in and exploit professionally the fishing (industry)." At least two-thirds of crews of fishing boats must be native-born Brazilians. Most adversely affected by this law are the Portuguese, who have been the traditional fishermen of Brazil. This provision has been the subject of much controversy, and is held responsible, by some observers, for hindering the commercial development of the fishing industry.

In 1933, the Ministry of Agriculture made a survey of the industry, including the number of fishermen and their equipment. The number of fishermen and fishing craft have not increased greatly since that year. In 1938, there were 31,283 fishing craft registered, an increase of only 266. The number of fishermen in 1943 was estimated at about 80,000, compared with 69,000 in 1933. Modern fishing equipment and motorboats are not in use except in the Rio de Janeiro and Rio Grande do Sul regions. Elsewhere, fishing is done in canoes and jangadas (small home-made sail rafts).

Canned Fish

The fish-canning industry is concentrated in the Rio de Janeiro and Rio Grande do Sul areas. Its development is fairly recent. In 1938, only seven fish canneries were registered with the Divisão de Caça e Pesca, of the Ministry of Agriculture. At present, there are 36 canneries: 22 in the Rio de Janeiro area, 11 in Rio Grande do Sul, 2 in São Paulo, and one in Recife, Pernambuco.

The major fish-canning item is sardines. Because of high cost of production and inferior quality, the product could not compete before the war with imported sardines from Portugal and Norway. Wartime conditions have contributed to an increase in the number of local canneries, which are now supplying the domestic market. Other fish used for canning, though in small quantities, are: albacora (swordfish), anchovy, bagaré, corvina, mullet, shrimps, and lobsters.

Data are not available indicating the annual canned-fish production. Agricultura e Pecuaria, a monthly published at Rio de Janeiro, states in the July 1942 issue that "the fish canneries and preserving plants of Brazil" produced 11,208 metric tons (24,709,000 pounds) of fish products in 1941, while Diario de Noticias, a Rio de Janeiro newspaper, in its issue of April 5, 1942, writes that the "1941 production of salt and preserved fish was 11,208,640 kilograms" (24,710,568 pounds). The figures are really the same, only one source describes the amount as the production of "fish canneries and preserving plants" and the other as "production of salt and preserved fish."

Since sardines make up the bulk of Brazilian canned fish and only small quantities of other species are known to have been canned, it is estimated that about 11,000,000 pounds are canned and the remainder are cured.

The annual production of cured fish is estimated (in the foregoing paragraph) to be less than 14,000,000 pounds. Among species known to undergo drysalting or other process of curing are: pirarucú, voador, shrimps, sharks, and others.

Brazilian Foreign Trade

Brazil's fish imports vastly exceed its exports. The average imports for 1937–40 were in excess of 26,000,000 pounds, compared with exports of 44,000 pounds. During 1941 and 1942, imports decreased considerably, while exports were slowly increasing. Thus, in 1942, Brazil imported only 3,928,300 pounds of dried codfish or one-sixth of the 1937–40 codfish imports. In the first 4 months of 1943, only 136,685 pounds of codfish were imported.

Brazil's second-largest import item is canned sardines, of which about 1,000,000 pounds were imported annually. In 1942, sardine imports dropped to 529,000 pounds, and in the first 4 months of 1943 only 1,100 pounds are reported. These changes are attributed chiefly to war conditions which have greatly stimulated the development of the fish-canning industry. Nothwithstanding these factors, Brazil still leads all South American countries in net imports of fish. In pre-war years, Brazil's major sources of fish imports were Newfoundland, the United Kingdom, Iceland, Norway, Portugal, and Canada. In recent years its codfish came principally from Newfoundland and sardines from Portugal.

The exportation of fish is a new industry for Brazil. It may be regarded as a war industry, since exports of fish before 1943 were insignificant; only 94,000 pounds were exported in 1942. During the first 6 months of 1943, however, Brazil exported 780,000 pounds of canned sardines and 31,000 pounds of other fish products. At this rate, exports during 1943 will approximate 1,600,000 pounds

Courtesy Chilean Line

Fishing for salmon, southern Chile.

and will exceed imports. Exports are made up chiefly of sardines and small quantities of shrimp. The bulk of the products in 1943 were destined for South Africa, with small quantities going to French Guiana.

Consumption

The annual consumption of fish, on an edible basis, is 102,641,000 pounds, and the per capita consumption for a population of 41,750,000 is 2.5 pounds. In 1942, however, by reason of the decrease in imports, per capita consumption declined to 2.0 pounds.

Prior to 1943 the Brazilian fishing industry may be characterized as principally for local consumption—which accounts for its control by the government through colonias and, more recently, cooperatives. Cooperatives, sponsored by the Government, aim to eliminate middlemen, thus enabling fishermen to get a higher price, at no increase for the consumer.

The (Brazilian) Coordinator of Economic Mobilization undertook, in May 1943, to investigate the possibilities of developing a local manufacturing industry to produce fishhooks, lines and nets, and machinery to scale and skin fish.

With the exception of the Rio de Janeiro area, marketing of fish is done haphazardly, and distribution is poor. This affects the lower-income group of the population by making fish supplies inaccessible. In Ceara, most of the low-income group live on fish. Attempts are being made to pool each day's catch and sell it through cooperatives—thereby insuring control of the supply, a fair price to the consumer, and a fair profit to the fishermen. In the Amazon area, fishing is conducted on a day-by-day basis, as there are no refrigeration facilities. Urban markets exist only in the relatively larger cities of Manaos and Belem, but even *there* a fair share of the day's catch is spoiled because of lack of cold-storage facilities.

Brazil's "Rationalizing" Plans

An attempt is currently being made in Alagoas to solve the fishing problem in order to relieve the increasing meat shortage. Though large quantities of fish are caught off the coast of Alagoas, very little of the catch reaches the local market, most of the fish being disposed of privately through the black market at "bootleg" prices. The situation can best be alleviated, according to local authorities, by the cooperative system. The general outlines of the plan agreed upon may indicate a solution of the fishing problem in other parts of Brazil. It advocates:

1. Rationalization of the fishing industry by—

(*a*) Increasing the productive capacity by easy and rapid transport;

(*b*) Substitution of larger fishing boats for jangadas;

(c) Diffusion of rudimentary knowledge of the fish industry among fishermen.

2. Cleaning and cold storage of fish.

3. Rational distribution and commercialization.

If similar steps are taken throughout the country, consumption of fish will increase considerably, and Brazil may in time have a small exportable surplus.

CHILE

The coast line of Chile extends from the Tropics to the Antarctic for a length of 2,900 miles along the Pacific. Chile has all of the natural advantages for the establishment of one of the leading fish industries of the world: a long coast line, many species of fish, and a people which has engaged in fishing for many years. Oceanographic conditions of its waters are conducive to the varied maritime species for commercial purposes, some of which are unknown in other parts of the world. Major fishing areas are centered at Valparaiso and Talcahuano, in central Chile, and at Puerto Montt, on the Gulf of Ancud. Other fishing areas are at Arica and Iquique, in Chile's northernmost Province of Tarapaca; at Tocopilla and Taltal, in the Province of Antofagasta; and in the Magallanes area, in the vicinity of Punta Arenas.

Chile's annual fish catch averages 77,730,000 pounds. The highest catch was in 1940, when 84,522,000 pounds were registered, while in 1942 only 70,596,000 pounds were caught. It is assumed that the decrease of 14,000,000 pounds was a result of the war in the Pacific. Hake, swordfish, herring, and sardines account for about two-thirds of the fish catch.

while mussels and clams account for a similar percentage of the shellfish catch. Valparaiso and Talcahuano are centers for fish, while Puerto Montt is the chief port for shellfish. The importance of these ports is emphasized by the fact that half of Chile's annual catch is unloaded there.

Equipment—Basic Conditions

Statistics on Chile's fishing fleet, show that there was a decided decline in 1941 in craft and labor. Between 1939 and 1941 the number of fishermen decreased from 6,723 to 3,338, while craft decreased from 2,540 to 1,932. Living conditions of the fishermen, under extreme poverty, and the fact that the Government did not provide for them in its social reforms of recent years tend to decrease their number rather than attract newcomers.

At the First Economic Congress of Tarapaca and Antofagasta, at Iquique in March 1943, measures were suggested to alleviate the condition of fishermen by: (1) bringing them under the social laws of the country; (2) furnishing them with boats and charts; (3) extending financial credit for large-scale expeditions; and (4) establishing more canneries to absorb increased production. Assistance, however, is a requisite which applies to fishermen throughout Chile. The primary difficulty is their poverty and their inability to finance the acquisition of better equipment. The newspaper El Tarapaca, of Iquique (issue of July 11, 1943), reports that the industrial and Mining Development Institute of Tarapaca sought to persuade the local Price and Subsistence Commissioner to allow the Institute to accumulate 50 tons of fish for a trial shipment to the United States in return for which the American firm was to supply the Institute with four modern fishing vessels. By acquisition of these vessels, local authorities estimate that the fish catch of the area will increase five-fold.

Chile's Canneries

There are 22 fish canneries in Chile, scattered from Iquique to the extreme north to Punta Arenas on the Straits of Magellan. The canneries are concentrated in the Tarapaca-Antofagasta area (4 plants), Santiago area (4 plants), Talcahuano (3 plants), Puerto Montt-Calbuco (6 plants), and Punta Arenas (2 plants). From the standpoint of production, the Tarapaca-Antofagasta area and Talcahuano are the major centers of canned-fish production. Sociedad Chilena Industrial de Pesca, S. A., with plants at Antofagasta and San Vicente, Sociedad Industrial Pesquera de Tarapaca, with plants at Iquique and San Vicente, and Conservas y Productos Pesqueros, S. A., at Talcahuano, are the largest fish canneries in the country, whose combined output approximates 75 percent of the entire canned-fish production.

Exact statistics of Chile's canned-fish production in recent years are not available, the most recent being 1936, when 2,196,000 pounds were produced. Available data give only the production of tins containing fish. Production for 1942 was 6,091,665 cans of less than 500 grams per can, and 1,139,100 cans of 500 grams or over. If averages of 230 grams and 500 grams are taken, canned-fish production in 1942 is estimated at 4,755,000 pounds. In 1940 a total of 4,545,468 cans were produced. On the basis of the above calculations, production for 1940 would be about 2,690,000 pounds. This indicates a slow but steady rise in production in pre-war years and an approximate doubling of production during the war years.

Fish-rearing ponds at Medellin, Colombia.

Among the more important species canned are: mussels, clams, sea urchins, herring, sarines, tuna, salmon, smelts, anchovies, and swordfish. The Chilean fish-canning industry is capable of considerable expansion. Maximum capacity of existing canneries is given as 19,333,600 cans of all sizes. Production in 1942 was 42 percent of the productive capacity claimed. Increased production is dependent on the amount of tin plate available and export markets to absorb the output. The most logical and readily available markets are those of other Latin American countries. United States importers maintain that high cost of transportation and difficulties in shipping, plus high rates for war risk insurance, make it unprofitable to import Chilean canned fish to this country.

Annual production of cured fish in 1940–42 is estimated at 4,400,000 pounds. Production of cured fish is evidently sufficient to meet local demands, because since 1940 small quantities have gone into export. In 1941, Chile exported 39,442 pounds of dried, smoked, and salted fish, chiefly to Peru and Argentina.

Foreign Trade Not Large

Chile's imports of fish have been about four times as great as its exports, but in neither case, whether imports or exports, were large quantities involved. The country's annual imports averaged less than 1,000,000 pounds. In 1942, Chile moved into a net export position for the first time, showing net exports of about 150,000 pounds.

Major import items are canned sardines and "salmonete," which account for more than two-thirds of all fish imports. Imported fish, however, is regarded as a luxury item, consumed by a small percentage of the population. The bulk of Chile's imports in pre-war years came from Spain, Portugal, Norway, and the United States. Since 1940, major sources of imports have been the United States, Spain, and Portugal, but in 1942 nearly all the imports came from the United States. Chile's largest export items are canned shellfish, fresh lobsters and oysters, and miscellaneous fresh fish—exported principally to Argentina, Bolivia, and Peru, the Republic's nearest South American neighbors.

Fish is not an essential item of the Chilean diet—least of all of the laboring class, which considers it a table luxury. The lack of "fish-consciousness" is difficult to understand in view of the country's natural geographic conditions. Yet Chile has the highest per capita consumption of all South American countries, excluding those along the northern fringe of the continent. On a comparative basis the per capita consumption of 7.9 pounds in Chile is only about half of that for the United States.

Chile's relatively low fish consumption is attributed to its long-established consumer preference for meat. Among the poorer class, the lack of stoves and cooking utensils, and of adequate refrigeration facilities in the home, are important factors in the low fish consumption. Others are: lack of transportation facilities and high freight rates, inadequate storage facilities, and high profits of middlemen, making fish as expensive as meat. The Government has taken steps recently to organize and develop the fishing industry in a manner profitable to all, including the consumer.

The difficulties to be surmounted include: building freezing plants and ware-

houses, acquiring refrigeration cars, fishing craft, and tackle, and development of efficient fishing methods. Because of the war, progress continues only slowly. Early in 1943 the Government instituted a program for increasing production of fresh fish. Activities are to extend along the entire coast, with the aim of increasing the volume of fish to an extent whereby the retail price will be reduced by 60 percent.

COLOMBIA

Colombia has extensive coast lines extending approximately 2,000 miles along the Atlantic and the Pacific. About 800 miles border the Pacific, and the remainder are along the Caribbean coast. The main fishing areas, however, are along the Caribbean. In the area from the Panamanian border to Santa Marta, fish species include mullet, catfish, tarpon, snook, shrimps, and oysters. From Santa Marta to Goajira, the area abounds in groupers and snappers. Other species common along the Caribbean coast are: red snapper, grouper, Spanish mackerel, sardines. Little is known about commercial fishing on the Pacific Coast. The area is sparsely populated. Buenaventura, the largest Colombian city on the Pacific, has less than 15,000 people.

Colombia has many large rivers which abound in a variety of fish species. Fishing is practiced along the Magdalena, one of the large rivers of the continent. The numerous communities along the Magdalena probably consume fish to a larger extent than is true in other parts of the country. Other rivers are the Rio Meta and Rio Guaviara, tributaries of the Orinoco, and the Rio Apaporis, Rio Caqueta, and Rio Putumayo, tributaries of the Amazon. There also are several large lakes in the northern Departments of Bolivar and Magdalena.

The U. S. Fishery Mission[1] which surveyed Colombian fishing in 1942—and then only along the Caribbean coast—estimated the annual catch at 3,500,000 pounds. The Mission, however, believes that the volume of fish for personal use is much larger, but reasonably accurate estimates are impossible. Only certain limited regions along the Caribbean are fished intensively, though the entire coast of Colombia has fishery resources which offer considerable inducement to development. Lack of transportation and handling facilities and inadequate fishing supplies are problems to be overcome. Poor fishing methods are prevalent in certain areas—including the use of dynamite.

There is no local production of canned fish. All canned fish consumed in Colombia is imported. Considerable quantities of fish are known to be dried and salted on the coasts and along the Magdalena River, but no record or estimate of this production is available.

[1] Members of the Mission were: Reginald H. Fiedler, Fishery Economist and Chief of the Mission; Milton J. Lobell, Fishery Engineer; and Clarence R. Lucas, Fishery Economist—all of whom at that time were on the staff of the U. S. Fish and Wildlife Service, Department of the Interior.

Colombia normally imports 2,216,126 pounds of fish annually. Since the catch is estimated at only 3,500,000 pounds—which, computed on an edible basis, will yield only 1,750,000 pounds—Colombia's imports actually exceed its catch. In 1942, imports fell off considerably, with less than 1,000,000 pounds of fish entering the country. This is equivalent to 43 percent of the annual average.

Cured-fish imports are estimated at only 45,000 pounds annually. Canned-fish imports consist mainly of salmon, sardines, oysters, and shrimps, which came in pre-war years from the United States and Canada, and sprats from Norway and Belgium. Since 1940, Colombia has been dependent almost entirely on the United States.

Colombian trade statistics show no exports of fish since 1940. Prior to 1940, less than 2,000 pounds were exported annually.

Consumption of fish in Colombia is believed to be the lowest in any country of South America, with the exception of land-locked Paraguay. The normal per capita consumption is given in one report as only 0.4 pound. The U. S. Fishery Mission of 1942 estimated consumption at not more than 10,000,000 pounds annually, or about 1 pound per capita. In all probability, the estimate of the Mission is somewhat optimistic, while the report first cited may be slightly conservative. Actual Colombian fish consumption is profitably midway between the two estimates—which would still make it among the lowest in South America.

In recent months local dealers have been unable to meet demands for canned fish. Canned fish is consumed largely by the middle classes, as they lack facilities for preparing fresh fish or for preserving it over a period of days.

ECUADOR

The coast line of Ecuador extends for approximately 500 miles along the Pacific. Fresh fish is obtained from the waters all along the coastal region and from the inland rivers for local consumption. Among the more important rivers of the western coastal area are the Guayas and Esmeraldas, while in the east a number of tributaries of the Amazon rise in the Ecuadoran Andes. Exact fishing centers are not known, but, since large quantities are caught all along the coast, it is presumed that landings are made at the larger coastal towns. Fish is also caught in the vicinity of the Galapagos Islands, some 600 miles west of Ecuador.

No statistics of the annual catch are available. The Ecuadoran Ministry of Agriculture, Industry, and Commerce considers it impossible to estimate even roughly the annual production or consumption. Among the commercially important species caught in Ecuadoran waters are: corvina, catfish, sea pike, perch, mackerel, also oysters, crabs, and lobsters. In the Galapagos Islands large numbers of tuna are found, as well as codfish which are dry-salted and shipped to Guayaquil for domestic consumption.

There is no local production of canned fish in Ecuador. Dry-salted fish is produced chiefly during the Lenten season. The only significant production is in the Galapagos Islands, where corvina and other species are dried and salted for use in the highland regions of Ecuador. This production is roughly estimated at between 110 and 150 metric tons annually (240,000 to 330,000 pounds).

All imports of fish into Ecuador are consumed locally. Exports average less than 1,000 pounds annually. Normally, annual imports average 1,060,000 pounds. This increased somewhat in 1942 when 1,206,000 pounds were imported. The

"Net racks" in a South American fishing village.

Fish drying in the brilliant sun of the Caribbean.

most important import item is canned sardines, which accounts for 87 percent of all fish imports. Small quantities of canned salmon and dry-salted cod make up nearly all of the remainder. Prior to the war, the United States supplied Ecuador with 82 percent of its fish imports, nearly all of which were sardines. Fairly large quantities were imported from Peru and Japan. In 1940–41, imports from the United States had risen to 87 percent, while those from Peru increased from 8 to 11 percent. In 1942, the United States and Peru continued to supply Ecuador with fish at about the same proportion. In recent months, sardines are being imported from Argentina in a larger quantity.

Since statistics for the catch are unavailable, consumption estimates are based on imports plus local production of cured fish. On this basis, the per capita consumption is figured at only 0.5 pound. This consumption figure is regarded as entirely too low, because of the quantities of fresh fish consumed in the coastal areas. Undoubtedly, consumption is at least three or four times the above figure. The bulk of canned and cured fish is consumed inland, where lack of refrigeration and transportation make it impossible to obtain fresh fish. It is in these areas that canned sardines find a definite place in the diet. The greatest period of consumption is during February, March, and April, coinciding with the Lenten period.

PARAGUAY

There is no commercially organized fishing industry in Paraguay, despite its being one of the best-watered areas in South America. Fish are plentiful in the Paraguay and Parana Rivers and in the Pilcomayo River along the southwestern border. Because of the lack of preservation and handling facilities, Paraguayans catch only enough fish to satisfy their daily wants. No statistics are available as to the annual catch, and no attempts to estimate the catch have been made. Fish, however, are known to be plentiful in Asuncion, capital of Paraguay. There is no production of canned or cured fish, and there are no canneries and no facilities for cold storage or dry-salting.

The only statistical information available on Paraguay covers the imports of fish, which averaged 189,329 pounds for the years 1937–40. Canned sardines and dried cod accounted for 81 percent of all fish imports. Before the war, Paraguay imported fish mainly from Norway, Spain, and Portugal. In 1940, imports came principally from Portugal and smaller quantities from Japan, Iceland, Norway, and the United States.

According to preliminary figures for 1941, imports have declined sharply from earlier periods. Only 31,000 pounds of fish were imported in 1941. This was about one-sixth of the 1937–40 average. Of this figure, 29,000 pounds were canned fish, and consisted mostly of sardines. About 80 percent came from Japan, and the remainder from the United States and Spain. Since 1941, Japan has been eliminated as a source of fish supply. Imports from European countries undoubtedly were reduced further, in consequence of the war, so that in 1942 and 1943 Paraguayan imports of fish probably reached a new low unless larger quantities were imported from the United States or from South American neighbors.

No exports of fish from Paraguay are reported in official trade statistics. Fish consumption is estimated on the basis of imports only, which account for 0.2 pounds per capita, the lowest on the whole continent. However, in view of the large amount of fish consumed in Asuncion and other regions, actual consumption is believed to be much higher.

PERU

The coast line of Peru extends for a distance of approximately 1,400 miles along the Pacific. Only recently have modern Peru's fish resources been sufficiently utilized to warrant calling this an industry. The potential resources of the entire Peruvian coast are great. Fish species of Peruvian coastal waters are comparable to those of California.

Besides the coastal areas, Peru has two other fishing zones: the rivers and lakes of the Andean plateau region, and the waters of the upper Amazon and its tributaries. Lake Titicaca, a body of water of 3,600 square miles, is located in the plateau region between Peru and Bolivia. Potential fishery resources exist also in the Amazon and its tributaries in the tropical lowlands of northeastern Peru. Among the large tributaries are the Rio Putumayo, Rio Napo, Rio Maranon, and Rio Ucayali.

Although Peru has a fisheries service which has been collecting data during the past few years, the exact annual catch is not known. It has been estimated for the years 1940–42 as follows: 1940, 26,542,000 pounds; 1941, 57,000,000 pounds; 1942, 75,640,000 pounds. The 3-year average is slightly over 53,000,000 pounds. A United States Fishery Mission in Peru estimated the catch for 1940 at about 25,000,000 pounds. The estimate for 1942 was made by the Peruvian Department of Fishery on the basis of the fishing boats used during the year. The above figures represent only the catch of Peru's coastal waters. They do not include Lake Titicaca or the rivers of the Amazon region.

Salt-Water Species Number 74

The United States Fishery Mission found 74 species of salt-water fish in commercial trade in Peru. The most common of these are the bonito and tuna. Other species are mackerel, black drum, shark, and shellfish. In Lake Titicaca are found suche (similar to catfish) and smelts. In the waters of the upper Amazon basin, a giant fish called paiche (known in Brazil as pirarucú) is found. It is a substitute for codfish and can be preserved for an indefinite period. Also the sea cow and giant turtles are caught in the Amazon region.

Fish canning in Peru is of recent origin; the first fish-canning plants were installed in 1939. Production for 1940 and 1941 is estimated at 540,000 and 406,000 pounds, respectively, the decrease in 1941 being due to a shortage of tin containers. Production in 1942 was estimated at 1,400,000 pounds. Production in 1943 is not ascertainable as yet; it depended chiefly on the degree of availability of tin plate.

Peru has seven fish canneries, five of which are located in Lima and one each in Callao and Pisco. The largest of these, until recently, were Giugliano y Compañía in Lima and Empresa Pesquera San Andres in Pisco. Industrial Pesquera Nacional, S. A., which began operations at Callao in the latter part of 1942, claims an annual productive capacity of 36,500,000 pounds. Actually, however, its production will be limited to one-fifth of the amount claimed, because of the scarcity of tin plate, and it may in reality be much less than *that*. Practically all of the fish canned in Peru are bonito and tuna. It is believed that existing can-

neries are equipped to increase their output in a volume large enough to meet local demands and to export fairly large quantities.

Peru's production of cured fish is estimated at approximately 20,000,000 pounds annually. In the Amazon region, salting and drying of the paiche and sea cow are practiced. In other areas, remote from coastal waters where fresh fish are always obtainable, salting is practiced to satisfy the needs of distant localities.

Sardines Form Main Import Item

Until 1942, Peru's net imports of fish amounted to nearly 2,000,000 pounds annually. In 1942, imports were less than 500,000 pounds. This is due to an increase in production and exports and a sharp decrease in the imports of cured fish. Peru's major fish import item is canned sardines, accounting for about half of all fish imports. Other large items are canned salmon and shrimp and dry-salted fish.

In pre-war years, the bulk of Peru's fish imports came from Japan and the United States. No imports from Japan are recorded for 1942, while imports from the United States had risen to 70 percent. From Canada, Peru obtained 110,000 pounds of fish in 1942, equivalent to 14 percent of the imports.

Nearly all of Peru's fish exports before 1942 consisted of fresh-frozen and dried fish. In 1942 canned fish were exported for the first time in sizable quantities—that is, 88,316 pounds, nearly all of which went to the United States. Exports of canned fish to the United States for the first 6 months of 1943 were 650,000 pounds, indicating total canned fish exports of about 1,500,000 pounds. Other fish exports for 1943 are estimated at about 125,000 pounds.

The United States Fishery Mission estimated annual consumption of fish at 12,000,000 to 13,000,000 kilograms (about 26,000,000 pounds), which is equivalent to the production in 1940. At that rate, the Mission estimated per capita consumption at 4.4 pounds. On the basis of production, imports and exports, consumption (on an edible basis) for the years 1940–42 was 27,327,000 pounds, which yields a per capita consumption of 3.9 pounds or one-half pound less than that estimated by the United States Mission. The bulk of the population prefers fresh fish, chiefly because of price considerations. Canned fish is considered a luxury item rather than a prime necessity.

Government Supervision

In recent years, the Peruvian Government developed a program for improving the fish resources of inland waters which had been reduced by destructive fishing methods in use for many years. In 1941, the Government established a Fisheries Service through which it regulates and controls commercial fishing. On the recommendation of the United States Mission, the Peruvian Government established on July 2, 1943, a Department of Fisheries comprised of a Bureau of Marine Fisheries, a Bureau of Fish Technology, a Bureau of Fish Economies, and a Bureau of Fish Hatcheries.

The Government is aiming to increase the consumption of fish in order to benefit the public and the national economy. For similar reasons it has undertaken a program of stocking the rivers, lakes, and lagoons with fish so as to augment the food supply. Natural conditions of Lake Titicaca were found satisfactory for stocking it with fish species from the lakes of the United States and Canada.

The most recent step in the direction of coordinating production and consumption of fish is a decree of September 23, 1943, requiring all companies engaged in fishing to register with the Department of Fisheries. The decree stipulates that the daily catch may become available for industrial purposes only after fresh fish have been supplied to the local market, and permits must be obtained for the exportation of fish products.

It is believed that these regulations will prevent speculative purchases for export, establish a basis for determining exportable surpluses in advance, stimulate production, promote the consumption of fish, and guarantee the quality of the products exported.

URUGUAY

The coast line of Uruguay extends for about 250 miles. The main fishing area is located between Montevideo and Punta del Este. The next major fishing area is the Uruguay River. The ports of Paysandu, Nueva Palmira, and Carmelo, along the Uruguay River, are fishing centers for western Uruguay. A number of smaller rivers traverse the country in various directions, among them being the Rio Negro, Rio Queguay, Rio Cebollati, and Rio Santa Lucia.

Notwithstanding the fact that the La Plata and adjoining waters have vast resources of fish, the Uruguayan fishing industry is of minor importance in the economy of the country. Nearly all of the fishing is carried on close to shore. There is no scarcity of fish, but the demand is not great, by reason of the large consumption of meat. Since the Uruguayan cattle population has recently been greatly reduced by drought, an increase in the production of fish is expected to provide a supplementary diet.

Fresh-water fishing has been investigated extensively in the shallow lakes near the coast, especially at Laguna de los Sauces, and seven or eight other lagoons of southeastern Uruguay. These are said to be good fishing grounds for developing pejerrey (smelt) fisheries, which are the most preferable fresh fish in the area.

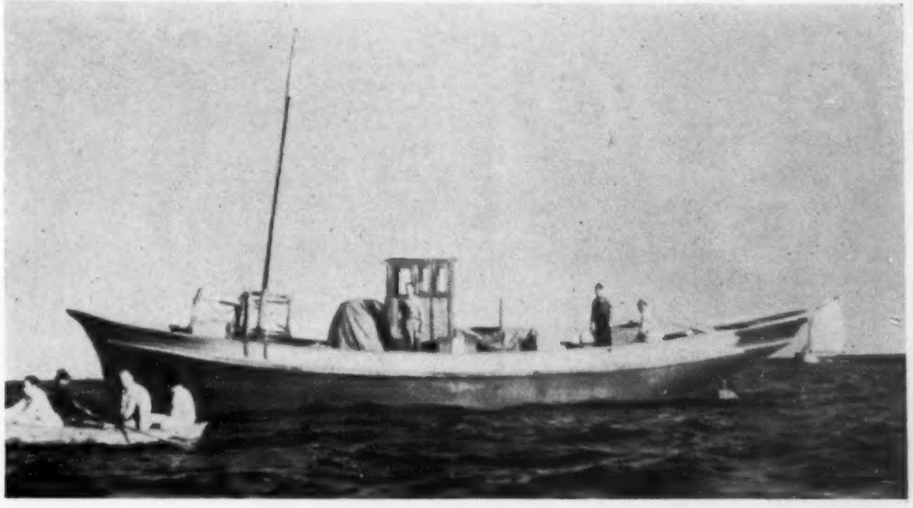
Private vs. Governmental Activity

The annual fish catch of Uruguay is 7,334,000 pounds. Uruguay's fishing industry is divided between private enterprise and a competitive Government-operated fishing service known as S. O. Y. P. (Servicio Oceanográfico y de Pesca). The S. O. Y. P. operates from Montevideo and Punta del Este and accounts for 39 percent of the catch. Private fishermen operate from Montevideo, Piriapolis, Paysandu, Nueva Palmira, and Carmelo. The most common species are the corvina (croaker), which amounts to 78 percent of the total catch, the pescadilla (sea trout), with 12 percent of the catch, bagre (catfish), and merluza (hake), with 1 percent each. Other species are: congrio (conger), pejerrey, shark, menhaden, mullet, flounder, bluefish, and shad.

The S. O. Y. P. operates one steam trawler, one tugboat, and one launch, with a combined tonnage of 307 metric tons displacement. It has a warehouse for cleaning and storing fish, one ice factory, a factory for the preparation of fish meal and fish oil, and a canning plant. In 1942, the total number of fishermen in Uruguay was estimated at 313.

Uruguay is said to have two canning plants, but information is available only for the plant operated by S. O. Y. P. Production of this plant rose from 7,000 pounds in 1939 to 148,000 pounds in 1942, and with present equipment maximum production might reach 445,000 to 535,000

(Continued on p. 42)



Powered fishing-boat off the South American coast.

News by COUNTRIES

Argentina

Transport and Communication

Railway Construction.—Present railway construction in Argentina includes a line from Pedro Vargas to Malargue. The next project probably will be a continuation south from Malargue to Bardos Blancos and thence to Chos Malal. The Malargue railway is estimated to be 110 miles long. The original appropriation was for 16,000,000 pesos.

A railway now being surveyed runs from Contralmirante Cordero via Anelo to Chos Malal.

Petroleum Tax to Be Used for Highways.—For construction and conservation of national highways, Argentina is to use a tax of 1 centavo a liter on all fuel derived from petroleum during the next 10 years.

Belgian Congo and Ruanda-Urundi

Tariffs and Trade Controls

Wheelbarrows: Importation Restricted.—Wooden wheelbarrows from the United States have been made subject to import license in the Belgian Congo and Ruandi-Urundi, while those of metal may not, in principle, be imported, according to notice to the public No. 63 of November 19, 1943, published in the Bulletin Administratif of November 25.

Only certain mining companies, specifically named, may request import licenses for metal wheelbarrows.

Bermuda

Economic Conditions

Business conditions in Bermuda remained satisfactory throughout the fourth quarter of 1943. Imports, on a value basis, continued to drop during the quarter under review and were only approximately 60 percent of those in the corresponding quarter of 1942, during which a shipping shortage prevailed. Despite the decrease, the United States increased its percentage share of the total to 70.8 percent as compared with 65.4 percent during the preceding quarter. The share of the United Kingdom and other sterling countries, on the other hand, dropped from 20.4 percent to 12.7 percent. A drop in British shipping has been the primary factor in decreased British participation.

Agriculture

Agricultural production continued to be limited by the scarcity of farm labor. In December several Italian internees were released to work for the Department of Agriculture but in view of their lack of experience, the value of their assistance has not yet been ascertained. The most important feature in agriculture during the period under review has been the attempt of the Department of Agriculture to arouse interest in the growing of citrus fruit in Bermuda. A plant pathologist was sent to Florida to study citrus-growing methods, and, although a full report is not available, optimism persists that there should be no difficulty in growing citrus fruits on the island. The Department of Agriculture has arranged to purchase 1,600 citrus trees from Florida and farmers are being urged to acquire the trees.

Price Control and Rationing

There were no new developments in price control and rationing during the fourth quarter, except that complaints of merchants over shoe rationing—namely, that slippers and sports shoes not rationed in the United States were rationed in Bermuda and that the types of shoes allocated to Bermuda were inferior in quality to those customarily purchased there—were rectified. Temporary shortages in various rationed commodities forced reductions from time to time in the rations of such goods.

Transport and Communication

Question of Motor-Car Use.—The Motor Cars Act, Amendment Act 1943, passed on December 3, rejected the general use of motor cars but provided for the establishment of omnibus and taxi services and recognized the right of commercial houses to use trucks. In addition, it specified the maximum size and horsepower of motor vehicles, including trucks, and fixed the taxation on them in accordance with the horsepower. By limiting automobiles and taxicabs to 10 horsepower, the law eliminates almost all American automobiles from the local market. This limitation on the size of automobiles and trucks is primarily applicable to the post-war period since the only motor vehicles now available in the colony are those supplied by the British Colonies Supply Mission.

The Cover Picture

On the Magdalena River

In our cover picture this week—furnished by the Office of the Coordinator of Inter-American Affairs—one sees bags of coffee and of *cinchona* (the product discussed in our feature article beginning on page 6) heaped on the deck of one of the picturesque river steamers that ply the waters of Colombia's biggest and longest river, the Magdalena. The Magdalena is exceedingly important in the picture of the Republic's varied means of transportation—but, as most foreign traders know, it is inclined to be a fickle, incalculable stream, fond of playing divers disconcerting "tricks." Despite the resulting uncertainties, the Magdalena carries yearly large quantities of goods.

British West Indies

Economic Conditions

Situation in Jamaica

General business conditions in Jamaica during January and February of 1944 were favorable. Merchants reported low stocks and difficulty in replenishment, but sales of available merchandise were satisfactory. Increased shipments of foodstuffs, clothing, and materials at higher prices accounted for the increase in the value of imports for 1943 over those in 1942. Exports of principal items showed an increase in 1943 over the corresponding period of the preceding year.

On January 13, 1944, announcement was made that the British Government would grant £525,000 (approximately $2,100,000) to Jamaica over a period of 5 years for the development of agriculture in the island. The grant is to be made under the Colonial Development and Welfare Act of 1940. Under the stimulus of this grant, it is expected that in the first year, Jamaica will be able to expand her agriculture by approximately 60 percent. A program of soil conservation, expansion of mixed farming, and improved agricultural methods will be undertaken.

The production of straw handbags, purses, hats, belts, and similar items is increasing, and although their manufacture is still a cottage industry, some quantities have been exported. Since the war, shirt making has become an increasingly important industry in Jamaica, and together with the production

of allied lines has expanded as a result of wartime controls. At present, plans are being made for the production of cotton and rayon hosiery, and the necessary machinery has been ordered. Development of soap manufacture is the outcome of the Government's encouragement of the coconut industry, which provides copra, the principal ingredient in the manufacture of soap. Shoe factories are few in number and relatively small. The building of a large shoe factory is also under consideration.

Tariffs and Trade Controls

Dried Fish and Rice: Import Duty Reduced in Grenada.—The rates of import duty on dried fish and rice in Grenada have been reduced by an ordinance of October 8, 7943, according to the Canadian Commercial Intelligence Journal of December 11, 1943. The new rates on the items affected (former rates in parentheses) are as follows: Fish, dried, salted, smoked, or pickled, British preferential, per 100 pounds, free, (1s. 8d.); general, 10d. (2s. 6d.); rice, British preferential, per 100 pounds, free, (2s.); general, per 100 pounds, 1s. (3s.).

Transport and Communication

Airdrome Construction, Trinidad.—Budget provisions for Trinidad for 1944 include an airdrome at Laventille, to cost approximately $1,100,000, and improvements at Piarco airdrome to total $100,000, the foreign press says.

Canada

Exchange and Finance

Another War Loan in April.—Canada's next war-loan drive will open April 24, according to an announcement made recently in the House of Commons by the Parliamentary Assistant to the Minister of Finance. The objective of the campaign will be the raising of $1,200,000,000—$525,000,000 from individuals and $675,000,000 from so-called "special names" or large investors such as corporations, insurance companies, etc. The terms of the loan have not yet been announced. It will be the sixth of the Victory class and the eighth loan of this war issued for public subscription.

The preceding loan, the fifth Victory, floated last autumn, also had for its objective $1,200,000,000, but a total of $1,571,311,550 was raised in the 3 weeks' campaign terminated November 6. (Of this total, $1,383,275,000 was new money, the remainder coming from the conversion of issues called for redemption.) Special names numbering 7,694 subscribed a total of $929,446,050 and 3,025,357 others subscribed $641,865,500.

In reply to a question as to how much money was advanced by the chartered banks for the purchase of bonds in the fifth loan campaign, the Minister's Assistant said that there was no precise information. As of November 30, borrowings from the chartered banks to finance purchases of the fifth Victory loans were as follows:

Corporations	$218,456,251
Employers for employees	71,919,673
All other	71,811,644
Total	$362,187,568

All the war-loan campaigns have been reflected to some extent in the banks' immediate position. Deposits, however, have shown a tendency to recover quickly to new high levels, and loans have shown no persistent growth.

Distribution of War Loan Subscriptions.—An indication of the increasing participation of small investors in the war loans is given by the Governor of the Bank of Canada in his 1943 annual report, viz:

Loan	Total number of applications	Amount of cash applications by individuals (ex Special Names)
1st War Loan, January 1940	178,000	$132,000,000
2d War Loan, September 1940	151,000	113,000,000
1st Victory Loan, June 1941	968,000	280,000,000
2d Victory Loan, February 1942	1,681,000	336,000,000
3d Victory Loan, October, 1942	2,032,000	375,000,000
4th Victory Loan, April 1943	2,668,000	530,000,000
5th Victory Loan, October 1943	3,033,000	604,000,000

Public Debt Has Nearly Trebled.—The National War Finance Committee says that holdings of Dominion Government domestic funded debt by non-banking investors have increased by approximately $4,900,000,000 between September 1, 1939, and December 31, 1943. The bonded debt of the central Government, excluding the Canadian National Railways debt which the Government guarantees, has risen in this period from $3,433,000,000 to $10,557,000,000, or by $7,124,000,000. Distribution of it is as follows:

Bonded Debt of Dominion Government (Including Treasury Bills and Deposit Certificates)

[In millions of Canadian dollars]

Item	Amount outstanding at—		Increase or decrease
	Aug. 31, 1939	Dec. 31, 1943	
Federal government:			
Payable in Canada only	2,558	10,212	+7,654
Payable in London	406	12	−394
Payable in New York	469	333	−136
Canadian National Railways:			
Payable in London	395	26	−369
Other	865	719	−146
Total Federal and C. N. R.	4,693	11,302	+6,609
Average coupon rate, percent	(3.61)	(2.69)	
Total annual interest payable	169	304	+135

In calculating the net interest burden, adjustment must be made for:

(1) C. N. R. interest which the Railway

Pertinent Comments on World Economy Today

[Being one of a series of excerpts from books, pamphlets, and speeches]

Armed Forces Abroad Provide Stimuli for Post-War Export Sales

There is a most interesting aspect of wartime developments which is obviously of unusual importance from the standpoint of our foreign trade later on. American citizens, most of them in uniform, are now scattered over the entire world. Each individual Yankee has with him certain American products. He is demonstrating these products to other peoples. Whether they be bazookas or bicycles, bulldozers or tractors, planes or plastics, he is, in effect, "selling" American products to prospective post-war customers.

Each American base, distributing center, or assembly plant on foreign soil is more than a technical exhibit of American machinery and methods. It is a working model of the American way of life in which the local populations have become participants as well as spectators. Native labor has been enlisted on a large scale. These peoples are observing at first hand what American ingenuity and mechanical ability can accomplish. They are being trained in the use of our tools and products and are becoming accustomed to them. New habits are forming. New desires are being created. And the result may well have a tremendous effect on world trade in later years.

In fact, this wholesale foreign distribution of American products and technicians by our armed forces and by the Lend-Lease process constitutes, perhaps, the greatest advertising campaign that the world has ever known. All of it is an incidental and accidental part of the war effort. But it is a sales manager's dream come true, and we should be prepared to follow it up after the fighting has ended.

This is all by way of saying that *the demand for American products will be great after the war.* As a counterpart of this development, opportunities for the extension of credit will increase very rapidly. Credit, however, is a very elusive thing. It can be won only on merit. There will be places for private credit and government credit. All will have to be correlated, and, above all, we do not want, even at the expense of disappointing some people at the beginning, to let our enthusiasm run wild and to create a situation which would give us a quick recovery, then a boom, and then another "bust." We must strive to keep the curve on the old chart going up at a gradual and steady rate.

(From a recent address by Joseph C. Rovensky, vice president of the Chase National Bank.)

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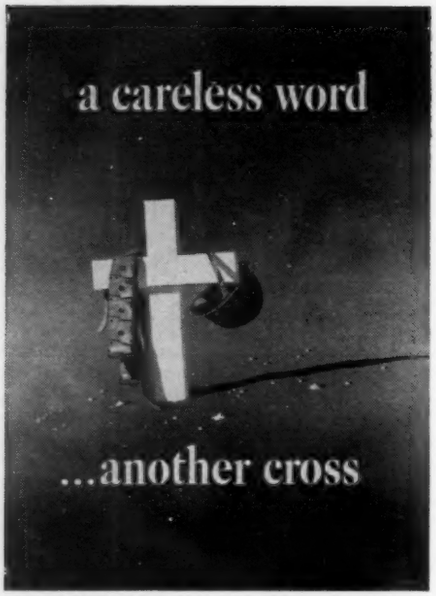


Official OWI Photo

is able to pay out of its own net earnings, and

(2) Cash revenue received by the Federal Government on its investment in or advances to other organizations such as the Bank of Canada, the Foreign Exchange Control Board, and the National Harbours Board.

These offsets amounted to approximately $24,000,000 and $84,000,00 in 1939 and 1943, respectively. Net interest charges are therefore now running at about $220,000,000 a year, as compared with about $145,000,000 a year at the outbreak of war, which represents an increase of 52 percent.

Bank of Canada Reduces Discount Rate.—Effective February 8, 1944, the Bank of Canada reduced its discount rate to 1½ percent from the 2½ percent level which had been in effect for some years. The reduction is of significance primarily as an indication of post-war policy. The background of the announcement is that there has been an indication of some thinking along the line of future raises in money rates as an accompaniment of post-war developments. In giving notice of the reduction, the Governor of the Bank stated that higher interest rates would be desirable only if "after war shortages are over consumers' expenditures and capital development were to proceed at a rate which would overstrain our productive capacity." He said he saw no prospect of such a situation arising in a form which would call for a policy of raising interest rates.

The announcement of the Bank's low-interest-rate policy is made to allow business to formulate long-term plans. It is also of interest in connection with the interest burden of the public debt. Notwithstanding the large amounts of new debt floated in consequence of the war, the interest rate has been declining as previously noted. The fourth and fifth Victory loans have carried a 3 percent coupon, and the yield on the basis of market values of the recorded 3 percent issues has averaged between 2$^{9}/_{10}$ and 3 percent for the past year.

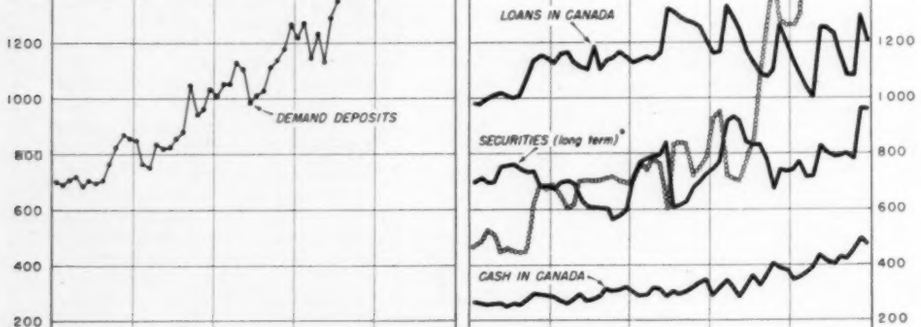
$100,000,000 Industrial Bank Proposed.—The Government has presented to Parliament a bill to found an industrial credit bank for the Dominion to be provided with total resources of $100,000,000. Capital stock of the bank would be $25,000,000, all to be subscribed by the Bank of Canada of which it would be a subsidiary corporation. Capital stock of $10,000,000 would be paid up at the time the act goes into effect. In addition the bank would be empowered to borrow up to three times the amount of its paid-up capital stock and reserve fund by the issue of bonds and debentures. These latter would not be guaranteed by the Government of Canada. They would, however, be an eligible investment for the Bank of Canada, and, in view of the protection afforded by the substantial proportion of capital stock; it is anticipated that they would be marketable elsewhere as well.

Reviewing the need for the legislation, the Government spokesman said that the new bank was designed to supplement and not displace existing credit facilities which could not reasonably be expected to provide all the industrial financing that will be necessary in the post-war years. The chartered banks are one source of credit for industrial enterprises, but, since the liabilities of these banks are mostly in the form of deposits withdrawable on demand or short notice, it has always been thought desirable that they should keep their assets in rather liquid form—easily realizable in case of need. The wisdom of following this policy had been amply demonstrated in the past by the experience of other countries which have pursued a different course. The chartered banks for the most part have made short-term loans to industry—loans which in the ordinary course of business can be paid off in full at least once a year. Accordingly, they have been most important as a source of working capital for industry rather than as suppliers of long-term funds which might be repaid only over a period of several years. This, it was stated, appears to be a sound policy, and the Government would not expect the chartered banks to embark on a large-scale program of medium- and long-term credit to industry.

Small Business Handicapped by Existing Credit Facilities.—Industrial enterprises requiring funds which might not be appropriately provided by banks are at present pretty much dependent on the investment market, said the spokesman. In other words, they must seek to make a public issue of bonds or stock. The availability of funds from this source is subject to a number of limitations. The name and financial record of the issuer must be such as to attract the investing public. The amount of money required must be sufficient to justify the overhead expense of making any public issue of securities. Finally, the attitude of the public toward securities already on the market must indicate that a new issue would get a favorable reception. Small business is particularly affected by such limitations.

If an industrial enterprise requires financial assistance for more than a year or thereabouts and a public issue of security is not feasible, the official stated, there is a good chance as things stand that the enterprise will have considerable difficulty in raising money, although the project itself may be basically sound. It is to fill this gap in the financial structure and to insure that adequate financing is forthcoming for desirable projects that the Government proposes to establish the Industrial Development Bank.

WAR'S EFFECT ON THE CANADIAN COMMERCIAL (CHARTERED) BANKS



Tariffs and Trade Controls

Specified Insecticides: Import Duty Reduced.—Imports into Canada from the United States of mixtures containing thiocyanates and rotenoids for use in combating destructive insects and pests are admitted at the reduced rate of 7½ percent, by an order in council which established a new tariff item (219f) effective retroactively to December 1, 1943, and published in Customs Memorandum, series D, No. 47 (T. C. 151) by the Department of National Revenue, Ottawa, on February 8.

Imports under the British preferential and the general tariffs are, respectively, free and 15 percent ad valorem.

The above order places the specified insecticides on the same tariff basis as the nonalcoholic preparations or chemicals for disinfecting, dipping, spraying, or fumigating, when in packages exceeding 3 pounds each, gross weight.

Gasket Stock Granted Duty-Free Entry.—Provision is made for the duty-free entry from all countries of "gasket stock, wholly or in part of vegetable fibers, coated or impregnated, in sheets or rolls, when imported by manufacturers of gaskets, for use only in the manufacture of gaskets in their own factories" by an order in council effective December 1, 1943, which established a new tariff item (192e) according to Customs Memorandum, series D, No. 47 (T. C. 149), published by the Department of National Revenue, Ottawa, February 8, 1944.

Gaskets of any material except cork or felt, composite or not, when of a class or kind not made in Canada and when for use in the manufacture or repair of automobiles and motor vehicles of all kinds, are admitted duty-free under the British preferential and intermediate tariffs under tariff item 438b. As there are several firms in Canada manufacturing gaskets of imported material consisting of hemp and jute paper or leather fibers and kraft pulp chemically treated to resist oil, gasoline, and grease, it was decided that it would be in the best interest of Canadian industry to admit free of duty from all countries gasket stock of this description, which is otherwise dutiable at the United States-Canada trade agreement rate of 22½ percent ad valorem.

Seed Potatoes: Exempted From War Exchange Tax and Special Excise Tax.—Seed potatoes imported into Canada for use exclusively for propagation purposes are placed on the same tax-exempt basis as table potatoes by an order in council exempting such imports from the war exchange tax and special excise tax effective January 1, 1944, and published in Customs Memorandum, series D, No. 47 (T. C. 150), by the Department of National Revenue, Ottawa, on February 8.

Seed potatoes imported under the above conditions are duty-free from any source.

Similar action was taken in June 1943 with regard to imports of certain fresh fruits and vegetables to reduce the landed cost of these essential food products.

[For previous announcement see FOREIGN COMMERCE WEEKLY for July 17, 1943.]

Chile

Transport and Communication

Railway Services Interrupted.—Railway services to La Paz, Bolivia, over the Arica-La Paz railway have been interrupted as a result of torrential rains. The line is expected to resume operations by the first week in April.

Costa Rica

Economic Conditions

Costa Rica entered upon the new year in a generally satisfactory economic condition, despite the hampering effects of 2 years of war upon its industries and the resulting strain upon the economy of the country. Shipping conditions continued to improve, and a greater amount of general merchandise was unloaded at the port of Limon in January than in December. The Northern Railway between Limon and San Jose, which was put out of commission during part of December by torrential rainstorms, was again in operation, and imports moved to the interior with little delay. There was improvement in all branches of agriculture, largely because of the availability of laborers formerly employed on the Military Highway on which work was suspended. A small decrease was reported in the volume of sales after the Christmas season. The cost-of-living index rose slightly, particularly for imported goods, while prices of food and domestic goods remained practically the same. The trend during the past year toward an import balance in foreign trade continued.

AGRICULTURE

Coffee was again being exported in large quantities, shipments during January rising well above those of December and far above January 1943 shipments.

Banana exports showed an increase in January over the low figure for December but did not nearly approach exports in January 1943. As usual, all shipments were from west coast ports. Export prospects for bananas in 1944, however, did not appear very bright.

The cocoa industry improved after the mishaps of the past year, and December exports were three times those of the preceding month, although below exports for December 1942.

The situation with regard to rice production was unchanged, and it was still believed that the prospective shortage might total 100,000 quintals, or 28 percent of a crop which ordinarily amounts to approximately 365,000 quintals (1 quintal=101.4 pounds). Inasmuch as rice is one of the staple food products, the shortage would have to be made up by imports, to avoid serious hardship.

The abaca plantations at Monte Verde and Good Hope were in good condition and approaching the production stage. They suffered a slight setback, however, when some 6,000 heads of seed, destined for the plantations, were lost in a storm at sea. Delay in receiving machinery and materials has also caused a corresponding delay in work at the Monte Verde factory.

In January, the Food Production Division of the Institute of Inter-American Affairs made two shipments (totaling approximately 364,000 pounds) to the Canal Zone of oranges, cabbages, sweetpotatoes, pineapples, tomatoes, and carrots.

COST OF LIVING

Although there has been a slight upward trend in the cost-of-living index since October, the index for January was well below the peak index for last June. The general index of retail prices at San Jose registered 169.32, as compared with 168.26 for December. The prices of clothing and rents were practically unchanged, while food was about 1 point higher. The general index of wholesale prices was 175.05, which compares with 173.63 for December. The average of imported goods rose to 175.82 from 172.40 in December, while the average of domestic goods remained almost stationary at 174.73.

LABOR

An impending strike on the abaca plantations of the Compania Bananera de Costa Rica at Monte Verde and Good Hope, because of alleged attempts to reduce the pay of workers and refusal to pay for certain holidays, has been averted through negotiations between company officials and members of the labor union.

Third Trading Nation

Although its population is only 11,500,000, Canada's volume of external trade is third largest of all the countries of the world, says a statement by an agency of the Dominion Government.

Prime Minister Mackenzie King enunciated four conditions needed to develop world trade and to bring prosperity and employment. Toward these ends the government of Canada is prepared to work with other nations:

1. Extension throughout the world of the kind of relationship that exists between Canada and the United States and between the members of the British Commonwealth of Nations.
2. Commercial stability and the progressive removal of barriers to trade.
3. Functional machinery to carry on the necessary arrangements between nations, including the maintaining of international monetary stability and the provision of credit.
4. Domestic policies to provide maximum employment and production and to prevent inflation.

Concrete evidence of Canada's readiness to work with other nations, say the Canadians, has already been provided in its relations with the Allied countries, especially in its role as a great supplying nation.

Canadians, it is stated, are eager for better trade relations with the whole world.

FOREIGN TRADE

Total exports in December were well below those of November and less than half the amount shipped in December 1942. Exports to the United States followed the same pattern. Total imports were larger than those in the preceding month and almost double those in December 1942. Imports from the United States in December, however, dropped below imports in November, although larger than in December 1942. The December decline in United States imports may be attributed to an increase in imports of petroleum products from Curacao and Venezuela.

Cuba

Economic Conditions

An Association of Banana Growers of Baracoa and Banes, of which all natural and juridical persons growing or harvesting bananas in these areas are required to become members, has been formed in accordance with decree No. 3914 published in the Cuban Official Gazette of February 17, 1944. A commission made up of a delegate from the Ministry of Agriculture and six growers from these areas will assemble to outline the bylaws of the Association. According to the decree, the Association was formed at the request of many of the planters, to improve conditions in the industry.

[Practically all the bananas exported from Cuba are grown in the areas mentioned above.]

Exchange and Finance

Cuba's First Foreign Loan Retired.—Upon payment of $1,014,500 to the fiscal agents on February 26, 1944, the Cuban Government provided funds for retiring the outstanding balance of its first funded foreign debt, the $35,000,000 5-percent Speyer loan contracted in 1904 to liquidate the pay due members of the Army of Liberation (Ejercito Liberador).

According to the Minister of Finance the so-called loan taxes (excise taxes on domestic and imported alcohol and alcoholic beverages, soft drinks, mineral waters, tobacco products, matches, and playing cards) and 15 percent of customs revenues, if necessary, that were pledged to the service of the loan will continue in effect. During recent years receipts from these taxes, which are an important source of Cuban Government revenue, have far exceeded service requirements on the Speyer loan, and the surplus has not only been sufficient to cover the charges on the $50,000,000 5½-percent loan of 1923, to the service of which it is pledged, but also to provide substantial revenues for regular budgetary purposes.

Official OWI Photo

Ecuador

Tariffs and Trade Controls

Analysis of Ecuador's Customs Tariff Now Available.—A comparative analysis of the new Ecuadoran customs tariff has just been released by the Bureau of Foreign and Domestic Commerce. Copies may be obtained upon request, either from the American Republic Unit of this Bureau or from any of the field offices of the Department of Commerce.

[See FOREIGN COMMERCE WEEKLY of February 12, 1944, for notice of revision of Ecuadoran customs tariff.]

Egypt

Economic Conditions

It is reported that an "Association des Commerçants et Importateurs du Royaume d'Egypt" (Association of Merchants and Importers of the Kingdom of Egypt) has been established. The objective of the organization is to unite important commercial enterprises in Egypt for common dealing with trade problems, to promote the development of these enterprises, and to protect their interests in cooperation with the requirements of the economy of the country. One of the special tasks of the new association is to render services of an economic, technical, fiscal, and judicial nature to its members.

France

Wartime Commodity Controls

Petroleum Derivatives: Special Sales Tax Fixed.—A special sales tax was fixed in France on sales of petroleum derivatives, to cover administrative expenses of the Organization Committee of Liquid Fuels, by an order of September 16, 1943, published in the Journal Officiel (Vichy) of September 18, and effective retroactively from June 1, 1943.

This tax amounts to 4 francs per hectoliter on automobile and aviation fuel, fuel alcohol, special essences, kerosene, white spirit and gas-oil; 5 francs per metric ton on fuel oil and petroleum pitch; 5 francs per 100 kilograms on paraffin; 10 francs per 100 kilograms on lubricating oils, greases, and petroleum jelly; and 20 francs per metric ton on butane.

Tariffs and Trade Controls

Textile Products: Tax to Encourage Production Established.—A special tax of 4 percent ad valorem for the encouragement of textile production was established in France by law No. 501 of September 15, 1943, published in the Journal Officiel (Vichy) of September 16, and effective on September 1.

This tax applies to products composed wholly or for the most part of natural or artificial textile fibers, including paper yarn. It is collected upon importation and upon sales for local consumption or for exportation.

Natural or artificial textile fibers are exempted from this tax when sold for exportation in this condition.

French North Africa

Tariffs and Trade Controls

Asbestos: Ad Valorem Export Tax Continued in Morocco.—The export tax of 5 percent ad valorem on mining products in the French Zone of Morocco will continue to be applied to asbestos, crude or enriched, mined on lands not belonging to native tribes, when delivered for domestic sale, during the year ending December 31, 1944, by a dahir of December 6, 1943, published in the Bulletin Officiel of January 7, 1944.

[See FOREIGN COMMERCE WEEKLY of June 5, 1943, for announcement of this tax which was to have been applied until December 31, 1943.]

Advisory Commission of Manufacture and Distribution of Construction Materials Established in Tunisia.—An Advisory Commission of Manufacture and Distribution of Construction Materials was created in Tunisia, under the Director of Public Works, by an order of November 12, 1943, published in the Journal Officiel Tunisien of November 20.

This commission is to advise concerning rationing systems; programs of importation, exportation, transformation, allotment and distribution; allotments of raw materials among industries manufacturing the rationed products; and the constitution and functioning of central and regional groups of manufacturers and agents of construction materials.

Haiti

Transport and Communication

Highway Construction.—Work has been started in Haiti on the reconstruction of 75 miles of the Pont-Beudet-Mirebalais-Lescahobas road (generally called the central highway) to the Dominican Republic. Storms last June washed out large sections of the road between the Cul de Sac plain and Mirebalais and a survey for a new road to

bypass the old one was under way at the close of the fiscal year.

A southern road from Port-au-Prince through Cazeau and Fond Parisien, designed to link Fond Parisien with Barahona in the Dominican Republic was reported at the close of December to be about 75 percent completed. This project, which was started on May 31, 1943, includes improvements over 38 miles of road on the Haitian side of the border.

Air Traffic.—The Fiscal Department of the Haitian Government has reported a decided increase of air-express traffic for the year ended September 30, 1943. Outgoing shipments were 137 percent higher than in the preceding year and incoming shipments increased 73 percent. Use of air express for Haitian products and materials accounted largely for the increase in outgoing shipments.

Passenger statistics for the fiscal year, as recorded by Pan American Airways, revealed a small increase over 1941–42.

An average of five commercial planes of the Pan American Airways System landed daily at Port-au-Prince in the period under review.

KLM (Royal Dutch Air Lines) was granted permission in 1943 to carry passengers and freight on its regular Curacao-Miami-Curacao flight.

Domestic air-mail service was inaugurated on May 31, 1943. The schedule developed into one flight weekly from Port-au-Prince to Cap-Haiten and towns in the northern section of Haiti, and a weekly flight to Aux Cayes and towns in the south.

Other American Republics Acquire Large Sums of Gold

Part of the United States' huge store of monetary gold is being transferred to the account of the other American republics, says a statement by the Office of the Coordinator of Inter-American Affairs.

This shift of gold, the largest transfer of its kind in recent years, results mainly from the heavy excess of imports from the other Americas over exports from the United States.

"Cash payments for excess imports are now running at the rate of about $600,000,000 a year," says the National City Bank of New York, in commenting on the gold transfer.

"The bulk apparently is going to individual Latin American countries. This in turn is being reflected in the phenomenal growth of Latin American gold and foreign-exchange balances, which increased during the first 9 months of 1943 by some $700,000,000, to more than $2,000,000."

During 1943 and the first week of 1944, the United States Treasury's holdings of gold dropped about $800,000,000.

Roughly, this corresponds to the rise in the trade balance in favor of the other American republics. The trade balance in favor of the other Americas has been increasing steadily since the United States more than 3 years ago began to turn to hemisphere sources for metals, fibers, rubber, and other strategic materials for use in war industry.

The increase in gold and foreign-exchange holdings of the other American republics has attracted widespread attention in business circles. The improvement in the financial position of the other American republics is regarded in trade quarters as one of the strongest assurances for the maintenance of a high level of inter-American commerce after the war.

Exporters are pointing out, says the Coordinator's Office, that the "phenomenal" increase in gold and exchange balances of Latin America makes a backlog of purchasing power for use when U. S. industry is released from its war tasks and again can supply civilian demand for automobiles, machinery, steel, and other industrial products.

India

Wartime Commodity Controls

Cotton: Ban on Forward Trading Lifted; Government to Buy in the Open Market.—Trading in cotton futures has been resumed in the market of the East India Cotton Association, Bombay, under an order of October 27, 1943, subject to certain safeguards imposed by the Government of India aimed at keeping speculative activity in the market within bounds. Maximum and minimum prices, in terms of the Indian cotton contract, have been fixed at 550 rupees (approximately $165) and 400 rupees (approximately $120), respectively, per candy (784 pounds). The prohibition on trading in options still obtains.

The reopening of futures trading in cotton in the ring of the Karachi Cotton Association was permitted under an order published in the Gazette of India of January 29, 1944, such trading to be subject to rigorous safeguards along the lines laid down for the reopening of the futures market in the East India Cotton Association at Bombay. Operations of the Karachi market will be closely supervised by the government of the Province of Sind.

Official press notices state that the Government of India has permitted the resumption of trading in cotton futures in Bombay and Karachi in the interests of the cotton industry, the cotton traders, and, in particular, of the growers; that such trading is being permitted only in the special circumstances of the cotton market and that there is no prospect of permitting futures trading in any of the other markets in which such trading is now prohibited.

It is the announced intention of the Government of India to maintain the price of Indian cotton between the floor of 400 rupees and the ceiling of 550 rupees per candy, in terms of the Indian Cotton Contract (Jarilla ¾-inch staple). Floor and ceiling prices for all descriptions tenderable against the Indian Cotton Contract have been fixed.

The Government will buy new crop (1943-44 season) cotton (in relation to the interests of the growers and the condition of the market) by whomsoever offered in Bombay, Karachi or upcountry at the floor prices or their upcountry equivalents, except that Government will not buy any cotton unless the Indian Cotton Contract in the market of the East India Cotton Association in Bombay is quoted at the floor price of 400 rupees per candy. In cuch circumstances, the Government will buy basic "Jarilla Khandesh ¾-inch staple" at the floor price of 400 rupees per candy and other styles at the floor prices fixed or at the market rate for those styles, whichever is lower. In the event of cotton reaching the ceiling prices fixed, the Government will requisition such cotton as required by the mills. The requisition price may be either the ceiling price or any price down to 5 percent below that ceiling price, at the discretion of the Government. Stocks thus acquired by the Government will be sold only in relation to the interests of the growers and the conditions of the markets. At the same time, the Government reserves the right to sell such cotton, at any time, if it is considered in the general interests to do so.

[See FOREIGN COMMERCE WEEKLY of August 7, 1943, for the announcement of the ban on cotton-futures trading.]

Exchange and Finance

State Railways Show Large Surplus in 1942–43.—The State-owned railways of India yielded a record net surplus (after meeting all charges including depreciation and interest) of 450,700,000 rupees in the fiscal year ended March 31, 1943, which may be compared with 280,800,000 rupees and 184,600,000 rupees in 1941–42 and 1940–41, respectively. Gross receipts were 1,554,800,000 rupees in 1942–43 as against 1,351,700,000 rupees in 1941–42 and 1,119,400,000 rupees in 1940–41.

Of this surplus, a total of 201,300,000 rupees was paid to the general revenues of the Government of India—126,300,000 rupees as arrears in contributions, 51,400,000 rupees as the regular contribution, and 23,600,000 rupees as a special contribution approved by the Legislative Assembly on March 2, 1943. Loans from the Railway Depreciation Fund were repaid to the extent of 160,800,000 rupees leaving a balance of 88,600,000 rupees which was transferred to the Railway Reserve Fund.

Railway revenues increased both under passenger and freight traffic despite reduced passenger services, a publicity campaign against unnecessary travel, and a curtailment of nonessential freight traffic. The increase is attributed to the stimulus of war conditions.

Earnings from passengers on all Indian railways increased by 23 percent in 1942–43. The number of passengers declined by approximately 1,000,000, but passen-

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ger miles increased by 10 percent. Earnings from freight traffic on all railways also increased, as did the earnings from parcels, luggage, and other miscellaneous sources of revenue.

It is also reported that the percentage of purchases of domestic goods has increased, rising from 71.3 percent in 1941–42 to 74.8 percent in 1942–43 for State-managed railways and from 65.5 to 72.9 percent for company-managed railways.

At the end of March 1943, the total capital invested in all railways in India, including those under construction, amounted to 8,499,200,000 rupees, of which 7,725,200,000 rupees was the capital of State-owned railways and 774,000,000 rupees represented capital owned by Indian States, companies, and district boards. Of the capital of State-owned railways, Government capital accounted for 98 percent.

Tariffs and Trade Controls

Indian Pharmacopoeial List to Supplement British Pharmacopoeia.—An Indian Pharmacopoeial List is being compiled in India which will be the official standard for drugs not included in the British Pharmacopoeia and will constitute an official supplement to the latter in India.

This list will comprise a number of drugs of Indian origin which, while produced from slightly different species of medicinal plants than those described as British standard, are of sufficient medicinal value to be recognized, and are prescribed in India by doctors of modern scientific medicine although they are not included in the British Pharmacopoeia. The Government of India has instructed the Drugs Technical Advisory Board (established by the Drugs Act of 1940) to prescribe official standards of uniformity, strength, quality, and purity for these drugs.

Mexico

Economic Conditions

The administration of price control in Mexico during the war period has been transferred from the Ministry of National Economy to the Ministry of Finance and Public Credit, by a Presidential decree, published and effective January 28, 1944.

In connection with the transfer of price control, three additional official decrees, all published and effective February 19, 1944, have been issued. The first of these modifies the decree of June 18, 1941, which created the Nacional Distribuidora y Reguladora, to provide for the reelection of the Regulardora's counsellors and for the appointment by the Minister of Finance of three representatives to form the company's executive committee, one of whom (the Minister himself or an official appointed by him) will serve as chairman. Reguladora will operate as a commercial firm to prevent speculation. It will be a nonprofit organization, confining its activities to matters of public interest.

The decree likewise provides that all operations connected with the granting of subsidies to Reguladora for the importation or production of products subject to price control will be effected exclusively by agreement between the Manager of Reguladora and the Minister of Finance, and that export control and the issuing of export permits will be vested for the duration of the war in the Ministry of Finance, except in the case of commodities exported by virtue of international purchasing agreements (such as alcohol, henequen, garbanzos, and castor beans), the licensing of which will continue to be made by the Ministry of National Economy. Provision is also made for the dissolution of the Consortium, and the liquidation by the Finance Ministry and Reguladora of the operations undertaken by it.

The second and third decrees further consolidate these controls by dissolving the Emergency Economic Board and the Coordination and Development of Production, as separate organizations.

[For announcement of the appointment of the Coordinator of National Production, see FOREIGN COMMERCE WEEKLY of October 31, 1942, and for the establishment of the Consortium, see FOREIGN COMMERCE WEEKLY of April 3, 1943; for announcement of the creation of the Emergency Economic Board, see FOREIGN COMMERCE WEEKLY of July 3, 1943; and for the transfer of duties of the Federal Commission of Economic Planning to the Office of Coordination and Development of Production, see FOREIGN COMMERCE WEEKLY of July 10, 1943.]

Tariffs and Trade Controls

New Import Tariff Item Created for White Newsprint in Sheets.—A new import tariff classification covering white newsprint in sheets has been established with a duty of 0.07 peso per gross kilogram, by a Mexican Executive decree, published March 2, 1944, and effective 10 days thereafter. This new classification covers white newsprint in sheets not less than 60 centimeters wide and 90 centimeters long, when containing more than 80 percent mechanical wood pulp, weighing more than 50 but not more than 57 grams per square meter, and yielding up to 6 percent ash.

Previously, there was no classification in the Mexican import tariff for newsprint imported in sheets. When imported in rolls not less than 40 centimeters wide and 71 centimeters in diameter, white newsprint containing more than 80 percent mechanical wood pulp, weighing more than 50 but not more than 57 grams per square meter, and yielding up to 6 percent ash, remains dutiable at 0.07 peso per legal kilogram.

Netherlands West Indies

Transport and Communication

Airfield at Aruba Completed.—A sizable airfield, consisting of two air strips as well as a modern depot, has been completed and placed in service at Aruba.

Bus Traffic, Aruba.—There are no railways or streetcar lines on the island of Aruba. Motor busses constitute the only means of public conveyance. These busses are now transporting approximately 75 percent more passengers than were carried a year ago.

Dial-Telephone System Planned.—Preparations have been made for the installation of a dial-telephone system to replace the present outmoded systems at Oranjestad and San Nicolas, Aruba.

Seychelles

Tariffs and Trade Controls

Export of Coconut Oil Halted.—Permits to export coconut oil from the Seychelles Islands were not to be granted after December 31, 1943, according to a notice appearing in the Seychelles Government Gazette for November 20, 1943.

Tanganyika

Wartime Commodity Controls

Kapok Price Increased.—By arrangement with the British Ministry of Supply, the price of kapok has been increased from 55 cents to 65 cents per pound f. o. b., effective January 1, 1944, according to a recent announcement in the Tanganyika Standard, a local newspaper of Tanganyika Territory.

Producers complained that the price of 55 cents per pound was insufficient to cover increased labor and production costs.

The British Ministry of Supply has contracted to buy Tanganyika's entire production of kapok.

Turkey

Tariffs and Trade Controls

Tobacco-Seed Oil: Exportation Permitted Under License.—Oils extracted from tobacco seeds may be exported from Turkey, subject to license from the Ministry of Commerce and if exported under its control organization, according to a circular published in the Turkish official gazette of September 21, 1943.

Union of South Africa

Economic Conditions

Cargoes shipped to the Union of South Africa from North America increased 82 percent during July to November 1943, over the total landed during the first 6 months of the year, according to a recent bulletin issued by the Director-General of Supplies of the Union of South Africa. The forecast of cargoes expected to be landed during February 1944, included a high percentage of civilian commodities such as drugs and chemicals, paper and board, agricultural implements and parts, spare parts for motor vehicles, and a large consignment of packed petroleum products. The main suppliers were North America and the United Kingdom. Also expected from these areas are badly needed requisites for the beekeeping industry such as hives, foundations, frames, sections for comb honey and machinery for extracting honey from combs. (The Union normally produces more than 2,000,000 pounds of honey annually.)

During a recent production drive lasting 6 working days, canvas factories on the Rand produced 1,000 double bell tents for military and naval purposes. The industry has produced more than 50,000 tents since 1940. The textile industry in general is producing large numbers of blankets and various types of clothing for use by the armed forces. Approximately 2,500,000 pairs of military boots and shoes are produced annually in the Union. The estimated number of hides used or to be used in Union factories for the manufacture of footwear since 1940, including 1944, is more than 1,500,000.

The bulletin also announces control measures for second-hand automobiles: 1941 and 1942 models are exclusively reserved for major essential services and medical practitioners; 1940 models are reserved for persons engaged in national services less essential than the foregoing, such as farmers residing a considerable distance from towns and railways; and 1938 and 1939 models are reserved for those doing work necessary for the economic life of the country. The total number of motorcars registered in the Union at the end of November 1943 was 289,739. Commercial vehicles numbered 55,617. Stocks of new vehicles available are approximately 200 motorcars and 1,250 commercial vehicles. Permits for new cars are issued for only the highest essentiality.

The Director-General of Supplies further announces that two new committees have been created within his organization. A Marketing Committee will be responsible for the sale of articles manufactured in South Africa to the order of the Director-General. This type of production is designed to meet essential civilian requirements of commodities in short supply, and is undertaken under the direction of the National Council of Supply. The Surplus Materials Disposals Committee is responsible for the sale or disposal of surplus war equipment held on behalf of the Government by the Director-General and which is no longer required by him.

Exchange and Finance

Bank Deposits Increased.—Deposits in commercial banks in the Union rose from £198,000,000 on December 31, 1942, to £236,000,000 on December 31, 1943, the greater part of these sums being for demand deposits. Total cash reserves (cash on hand and deposits in the Reserve Bank) increased from £104,000,000 to £131,000,000 and the ratio of cash reserves to deposit liabilities from 52.59 percent to 55.68 percent. It is the custom of the banks to keep the bulk of their reserves in the South African Reserve Bank. Balances there mounted from £98,000,000 to £125,000 000 and free balances in the Reserve Bank (that is, all reserves over the 10 percent for demand deposits and the 3 percent for time deposits) from £80,000,000 to £103,000,000.

The limited demand for banking accommodation, on account of the exceptionally high liquidity of most commercial firms, is indicated in the relatively small amount of "advances and discounts in the Union," which approximated £38,000,000 at the end of 1942 and £39,000,000 at the close of 1943.

The three leading commercial banks in the Union are the Standard Bank of South Africa, Barclays Bank (D. C. & O.) and the Netherlands Bank of South Africa. Of the total deposits of the commercial banks on December 31, 1943 (£236,000,000), Barclays accounted for £102,000,000 and the Standard Bank of South Africa also for £102,000,000.

Clearinghouse returns were around 17 percent greater in 1943 than in 1942 and bank debits to individual accounts were some 13 percent higher. As official statistics indicate that wholesale prices were only approximately 5 percent higher in 1943 than in the preceding year and retail prices roughly 6 percent greater, it seems reasonable to believe that the increased volume of clearinghouse returns and bank debits represents greater monetary velocity and is not just a reflection of a higher price level.

Venezuela

Economic Conditions

General business conditions in Venezuela were maintained at a satisfactory level during January. With easier shipping conditions and restrictions on imports of so-called unnecessary items, supplies of essential materials and products were adequate. Funds accruing from continued surpluses of foreign exchange and the curtailment of imports below the level of pre-war years were reflected in the maintenance of building construction at records levels, the development of various manufacturing enterprises to replace imports, rising stock prices, and in the expansion of commercial bank deposits and loans.

Agriculture

Latest reports indicated that the coffee crop would fall below 500,000 bags of 60 kilograms each. Coffee exports were lower, accompanied by a rise in price of domestic qualities. Prospects for the cocoa harvest were considered favorable, despite unseasonably heavy rainfall in the Barlovento area. Exports of cocoa in 1943 were nearly double the quantity shipped in 1942.

Although the tobacco harvest has been completed, movement of the crop was delayed because of considerable stocks in the hands of cigarette manufacturers, and growers appeared to be withholding their crop for better prices.

Preliminary studies by the Ministry of Agriculture indicated that wheat could be grown successfully in the States of Carabobo and Yaracuy, west of Caracas. The Ministry of Agriculture also participated in the marketing of oranges in Caracas, in an effort to lower prices to consumers.

(Continued on p. 41)

Another Nazi "Plan" Explodes

The Industrial Organization Committee in the occupied Netherlands, which Nazi authorities introduced with much fanfare during October 1941, has now been quietly dissolved. A short news item in the Nazi-controlled Catholic daily De Tijd of December 27 reported its "demise," never referring to the original plan which foresaw "a complete reorganization of Holland's industrial and commercial life within 1 year."

The Industrial Organizing Committee, under the presidency of H. L. Woltersom, director of a well-known banking concern, was supposed to coordinate—along Nazi lines—every conceivable branch of Dutch commerce and industry. The reorganization included a division of industry into six "main" groups, with a variety of subdivisions. This complicated system was intended to give the invaders detailed information regarding the production capacity of any given branch of industry and commerce. Decisions regarding the transfer of labor could be taken without loss of time.

Although a number of financial and economic experts in Dutch industry agreed to sit on the committee, they did so only in the belief that they might be instrumental in introducing new features that would be of permanent value to the Dutch economic system. Their lack of cooperation, after the discovery that the committee was to be a mere tool in the hands of the Nazis, has caused it to linger on for more than 2 years *without ever accomplishing its task.*

News by COMMODITIES

Chemicals

Canadian Lumber Concern Investigating Plastics-Production Possibilities

A research and development project is being established by a large lumber concern in British Columbia, Canada, to investigate the possibilities of fields of production other than pulp and paper, a Canadian timber journal reports.

Plans call for a long-range research program to determine how the company may diversify and expand its output. Attention also will be given to the conservation of raw materials and the elimination of waste. The latter is of particular importance because, at present, for every ton of pulp produced there is also a ton of waste material.

Extensive work is being done in the field of plastics, since the company hopes to produce a number of products of this type for industrial and commercial use. Special investigations are being made of the plastic properties of the lignin portion of waste sulfite liquor.

Projects of Colombian Institute of Industrial Development

Colombia's Institute of Industrial Development has aided in the establishment of several chemical enterprises, some of them using domestic raw materials, the foreign press reports.

The program has included the construction of nitrogen plants, the manufacture of fertilizer from animal bones, and the production of rotenone and sulfuric acid. Some projects are in operation and others are being developed.

Production in Eire

The output value of Eire's chemical industry, including drugs, oils, paints, and polishes, for the third quarter of 1943 is shown as 59.9 (1936=100), according to the latest annual report of the Federation of Irish Manufacturers, Ltd., Dublin.

Although a decline was apparent in the production of several industries in 1943, the general level is considered high under present conditions, it is stated.

German Production of Substitutes

Considerable use is being made in Germany of coal-tar pitch as a substitute for imported bitumen, a European chemical publication reports.

Several methods of improving the properties of this material have been tested, it is stated. The melting point of the pitch has been increased by a polymerization process, and in another instance coal-tar distillate has been treated with polyvinyl chloride.

Other experiments have included the addition of milled stone to the pitch and treatment with oxygen, sulfur, or chlorine.

Match Production, Iran

Match production in Iran for the year ended March 20, 1943, totaled 1,020,110 kilograms, according to the annual Iranian customs statistics.

During the previous year, output totaled 1,429,790 kilograms.

Mexican Salt Production

Mexican salt production averages 100,000 tons annually, says the foreign press.

Approximately 37,000 tons of this amount is used in industry and the remainder for table salt. Some salt is imported.

Imports Into New Zealand

Imports of chemicals and drugs into New Zealand during the first 9 months of 1943 increased substantially in value over the comparable months in 1942, according to published New Zealand customs statistics.

The total for January to September 1943 is shown as £NZ1,420,456; imports for the first 9 months of 1942 amounted to £NZ842,930.

Peruvian Imports of Munitions and Explosives

Peruvian imports of munitions and explosives increased 57 percent in value during the first half of 1943 over the corresponding months in 1942, the foreign press reports.

Imports for January to June 1943 amounted to 3,856,000 soles, whereas for the first 6 months of 1942 the figure was 2,512,000 soles.

White Horses' Tails Now Go for Brushes

White horse-tail hair is being used in the manufacture of brushes in Brazil. Some supplies are obtained locally, others are imported from Argentina. The first three cuts nearest the hair roots are used for tooth brushes and the remainder for shaving, clothes, and other types of brushes.

Before the war, pig bristles of Russian and Polish origin, imported through Germany and France, were used extensively in Brazil. Some Chinese bristles also were used. After these sources of supply were cut off, brush manufacturers tried domestic pig bristles. Brazilian pig bristles are usually black and relatively soft, however, and these factors have influenced manufacturers to use principally white horse-tail hair for tooth brushes.

Swedish Paper Company to Manufacture Sulfite Alcohol

Klippan-Lessebo, Swedish paper producers, plan to start the manufacture of sulfite alcohol at their Boksholm sulfite mill, the European press announces.

The company has recently acquired the Konga sulfite mills owned by Skandinaviska Banken, it is stated.

South African Supply of Phosphatic Fertilizers

Only 135,000 tons of phosphatic fertilizers were available in South Africa in 1943 against a normal demand of 400,000 tons, the Union Department of Agriculture reports.

The outlook for 1944 has improved, however, as a result of increased imports of phosphate rock and greater facilities for the local production of superphosphate. Efforts are being made to limit the use of phosphatic fertilizers to corn crops and to wheat in the winter-rainfall areas.

Tar Distillation, U. K.

The increased importance to industry of fluorine derivatives is shown by a growing list of United Kingdom manufacturers, says an annual review of the British chemical industry.

To meet the demand for tar bases, tar distillers are producing larger quantities of pure pyridine, picoline, and lutidines. Dicyclopentadiene has been added to the list of British-made tar products.

Clay and Related Products

Pottery-Production Capacity Expanded in Canada

A new automatic kiln (straight type) was scheduled for completion early this year at the Medalla Pottery at Medicine Hat, Alberta, Canada, says the foreign press. Production capacity will be doubled and plans are being made for the manufacture of dinnerware after the war. A number of other improvements to the plant are under way.

Coal

Portugal's Coal Imports

Of the 270,000 tons of coal imported into Portugal in 1943, the foreign press says that 144,000 tons were brought by British vessels, the remainder coming from Eire, Spain, and the United States.

South African Coal Production

Increased production of coal in South Africa in the last few months of 1943 brought the rate to more than 22,000,000 tons a year. South African coal is being

exported to South America, the Middle East, and to African markets outside the Union.

Construction

Irrigation Projects in India

The Western Jumna Canal extension scheme, which will provide irrigation for some 125,000 acres in India, from the middle of June to the middle of September, annually, was inaugurated on January 26, 1944. The project will bring temporary relief to part of Delhi Province, the Rohtak and Hissar Districts of the Punjab, and the Native States of Jind and Durjana. While the project was estimated to cost about 10,000,000 rupees, in actuality it ran to 15,700,000 rupees (approximately $5,200,000).

A permanent solution to the drought situation in this area is being considered which calls for the construction of a dam in the Upper Jumna.

Construction Activity in Mexico

Construction activity flourished throughout Mexico in January. Much of the building being done at present is by private concerns, although the Government still has several projects in progress, notably that of a State technological school at Durango and a hospital at San Luis Potosi.

Ground is being prepared for the building of 75 to 100 better-class residences at Hermosilla. This city also is planning a new hotel.

Two new factories are being erected near Guaymas, one to process flax fiber, the other to make oil and lard from sesame seed.

A new airport, to cost 2,500,000 pesos, has been started, and several warehouses and a theater are being built in Nuevo Laredo.

Hotel Completed in Netherlands West Indies

A modern 16-room hotel has been completed at Oranjestad, Aruba, Netherlands West Indies.

Peruvian Irrigation Project

The Peruvian Government has made provision for the diversion of the Chotano River into the Chancay River as a means of supplying additional water to sugar plantations located in the area around the city of Chiclayo. Half of the 8,435,949 soles which this project is estimated to cost will be contributed by the Government and the remainder by landowners.

Since the Chotano River drains from the eastern slope of the Andes and the Chancay from the western side to the Pacific Ocean, to divert water from the former to the latter river it will be necessary to build a canal 20 kilometers in length and tunnels from 7 to 8 kilometers. This diversion reportedly will not cause hardships in the Chotano Valley because no particular economic use had been made of this river heretofore.

House Shortage in Switzerland

Although the number of residences completed in 33 leading cities of Switzerland during the third quarter of 1943 was

greater than in the corresponding periods in 1940, 1941, and 1942, there are still not enough houses to provide adequate accommodations.

The number of permits granted and the number of residences completed in the third quarter of the years 1939 through 1943 are given in the following table:

Year [1]	Towns	Completed	Permits granted
	Number	*Number*	*Number*
1939	29	1,831	1,240
1940	30	952	624
1941	30	1,085	1,229
1942	33	1,165	1,073
1943	33	1,246	1,869

[1] Third quarter, only.

Electrical Equipment

Production in China

China produced about 2,300,000 porcelain insulators in 1943 which adequately met the domestic demand. Of this total, 1,950,000 were made by the Central Insulator Works which is jointly owned by the National Resources Commission and the Ministry of Communications.

The Central Insulator Works is at present producing 22,000 to 33,000-volt insulators but, until the first of this year, the largest ones produced were for lines present producing 22,000- to 33,000-volt ages as high as 220,000 volts is expected after the war.

Foodstuffs and Allied Products

Dehydration of Foods, Union of South Africa

Although the dehydration of foods is a new industry in the Union of South Africa, vegetables, fruit, milk, and eggs already are being dehydrated, and it is expected that meat and fish will be added to the list before the end of the war.

The dehydration of vegetables was commenced only recently. Daily production is reported to be: 750 pounds of carrots; 1,550 pounds of onions; and 4,560 pounds of potatoes. In 1943 the Union produced almost 100 tons of dehydrated cabbage.

The factory engaged in the drying of onions is planning to change over to potatoes within a short time and should produce 3,000 pounds of dried potatoes daily.

Output of the existing factories is being increased by the installation of bin dryers, and additional factories are coming into operation.

With the exception of dried apple rings, which were one of the first dehydration experiments of the Union, the dehydration of fruit is only beginning.

During the present season about 4,000 tons of fresh pears, will be dehydrated, which should yield 300 tons of dried fruit. It is also planned to dehydrate 3,000 tons of apples in the form of apple rings, and small quantities of peaches, plums, and apricots. Several new fruit-dehydration plants will go into operation later in the season.

Production of dried skim milk in the year ended June 30, 1943, was approximately 500 tons, and total production of full cream milk amounted to 850 tons. The dryers are not kept in operation during the whole year because of inability to replace worn out parts, and also because the raw products are not always available.

During the year ended June 30, 1943, approximately 9½ tons of dried whole eggs were produced by the spray-drying system. The output of eggs is limited mainly by the lack of raw material.

Coffee and Cocoa

Costa Rican Coffee Receipts and Sales

Receipts of coffee berries in Costa Rica in January 1944, totaled 150,906 bags of 60 kilograms each, an increase of about 11 percent compared with 136,275 bags in January 1943.

Total receipts of coffee berries for the crop year as of January 31, 1944, totaled 310,728 bags, a decrease from the 353,679 bags in the corresponding period of 1943-44.

Sales of Costa Rican coffee during January 1944 totaled 41,333 bags, compared with 30,588 bags during January 1943. Coffee sales for the quota year, as of January 31, 1944, totaled 136,397 bags, compared with 135,619 bags as of January 31, 1943.

Ecuador's Coffee Trade

Coffee receipts at the port of Guayaquil, Ecuador, in January 1944 were estimated at 1,500 quintals of 101.4 pounds each, a decline of about 42 percent, compared with 2,600 quintals in December 1943. It is reported that most of the coffee delivered at Guayaquil in January was of an inferior grade and for that reason did not command good sales.

Textiles, Clothing Scarce and Dear in Rumania

At Christmas time Rumanians flocked to clothing shops and textile markets, as in peacetime years, eager to procure gifts for their families. However, only very few possessed sufficient funds to purchase anything but gloves, stockings, and an inferior type of footwear made from textile materials, plaited hemp, or drill cloth.

If the following price increases in various types of raw wool, as reported in the Rumanian press, are indicative of advances in other lines, living must be exceedingly expensive in Antonescu's country. In May 1943, Merino wool had risen 1,212 percent over April 1939 prices, Spanca wool 753 percent, Tigac 900 percent, Cadrilator 968 percent, and Turcana 1,175 percent.

January wholesale quotations on first-grade coffee suitable for export, compared with quotations for the corresponding month of 1943, are set forth in the following table:

[Value per pound—U. S. currency]

Quotations	January 1943	January 1944
Average	$0.082	$0.062
Maximum	.088	.064
Minimum	.078	.06

Foreign markets for coffee during January 1944 were sluggish, especially as compared with the demand in recent months. Nevertheless, exports during January were about 23.4 percent heavier than in the comparative month of 1943.

Ecuador's Cocoa Production and Exports

Cocoa receipts at the port of Guayaquil, Ecuador, during January 1944 amounted to 12,494 quintals of 101.4 pounds each, a decrease of 41.72 percent, compared with 21,440 quintals in January 1943.

While it is too early in the year to make any accurate prediction with regard to 1944 cocoa-crop prospects, Ecuadoran exporters have expressed the opinion that the 1944 harvest will not equal the 1943 bumper crop.

Exports of cocoa from Ecuador in January 1944 totaled 1,044,530 kilograms (1 kilogram=2.2046 pounds), valued at $212,768, according to an unofficial source.

Dairy Products

Canadian Milk Production

Production of milk in Canada in 1943 totaled 17,500,000,000 pounds, approximately the same as in 1942.

Fluid milk consumption, including farm use, rose from 5,900,000,000 pounds to 6,200,000,000 pounds. There was a 21-percent reduction in the manufacture of cheese, but small increases in the production of butter, concentrated milk products, and ice cream, were reported.

1943 Production, Sao Paulo, Brazil

Output of dairy products in plants under federal supervision in Sao Paulo, Brazil, in 1943 is shown in the following table:

Product	Quantity
	Kilograms
Sweet condensed milk [1]	13,574
Milk meal	87,214
Condensed milk	2,238,459
Powdered milk	476,181

[1] Production of sweet condensed milk was prohibited after February 1943.

Fruits and Nuts

Strawberry Growing in Spain

With the idea of encouraging the cultivation of strawberries for their food value, the Spanish Ministry of Agriculture recently published a pamphlet containing an analysis of the varieties most suitable for cultivation in Spain, with full information on methods of growing the fruit.

Although in 1935 strawberries were grown in 44 of the 50 Spanish Provinces, they have always been a luxury item in the country. In that year, the last for which accurate figures on the growing of strawberries are available, the area cultivated totaled 1,387 hectares (1 hectare=2.471 acres), and production amounted to 4,085,600 kilograms (1 kilogram=2,2046 pounds), valued at 9,755,465 pesetas.

Spain's 1943 Muscatel-Raisin Crop

The 1943 Malaga, Spain, muscatel-raisin crop is estimated at 350,000 boxes, or 7,716,100 pounds, of all grades, according to revised statistics.

It was reported early in February that there have been no exports of muscatel raisins since November 1943, when about 5,000 boxes of loose raisins were shipped to Sweden. Negotiations for the sale of some 400 tons of loose muscatels to Sweden were under way.

Stagnation of the trade is indicated by the report that there are at least 250,000 boxes of raisins of all grades warehoused at Malaga, and 50,000 boxes remain in the hands of growers. This represents unsold stocks which have but slight prospect of distribution.

Almond Production in Spain

Final estimate of the 1943 crop of almonds in the Malaga district of Spain, which comprises the Provinces of Malaga, Granada, and Almeria, places the total at about 4,600 metric tons, equally divided between Jordan and Valencia varieties.

Fairly large carry-over stocks of the 1943 crop are held, not only in the Malaga district, but at all shipping points throughout southern Spain.

Domestic consumption of almonds has declined, owing mainly to the high cost of all grades. Exports are at a standstill pending action by the Ministry of Industry and Commerce on the licensing of oversea shipments.

Reports received from all producing fields indicate a bumper crop of almonds in 1944. Trees throughout the Provinces of Almeria, Cadiz, Granada, and Malaga blossomed late this season—on an average of 1 month after the usual date—which is regarded by growers as favorable, as they will not be affected by high winds which often destroy a large proportion of the early blooms.

Dried Fruit Production, Union of South Africa

Production of raisins in the Union of South Africa reached an all-time high in 1943, but production of other dried fruits, such as currants, sultanas, and muscatels, decreased and the total of all fruit dried was somewhat lower than in 1942.

Final corrected figures for production in 1943, released by the Dried Fruit Board, as compared with 1942 figures are shown in the following table:

Grapes and other dried fruit	1942	1943
	Pounds	*Pounds*
Orange river sultanas	7,843,055	7,382,063
Western Province sultanas	1,105,716	1,092,801
Raisins	13,523,796	14,206,214
Currants	2,355,268	1,712,176
Bleached sultanas	1,329,229	1,024,672
Thompsons seedless	498,582	761,947
Stalk raisins	361,270	393,857
Stalk muscatels	350,963	197,421
Loose muscatels	31,658	24,885
Total	27,399,537	26,796,036

Grain and Products

Portugal's 1944 Crop Plantings

The area in Portugal seeded to wheat for the 1944 crop is about 450,000 hectares (1 hectare=2.471 acres), compared with 480,000 hectares for the 1943 and 577,936 hectares for the 1942 crops. One reason for the decrease in the 1944 crop acreage is reported to be lack of fertilizer.

Production of wheat in 1944 is estimated at from 300,000 to 400,000 metric tons, compared with 300,000 tons in 1943 and 524,252 tons in 1942. About 150,000 tons of wheat probably will have to be imported before August 1944, when the next wheat season begins.

The area seeded to oats is estimated at 200,000 hectares, about the same as last year and an increase over the 180,000 hectares for the year 1942. Production is estimated at 150,000,000 liters (1 liter=0.908 quart), compared with 12,000,000 liters for 1943 and 200,000,000 for 1942.

Barley area is estimated at about 72,000 hectares, compared with 80,000 hectares for 1943 and 70,000 for 1942. Production is estimated at about 60,000,000 to 70,000,000 liters, as against 50,000,000 liters for 1943 and 95,000,000 for 1942.

About 115,000 hectares were seeded to rye, compared with 145,000 hectares for 1943 and 135,000 for 1942.

Production of rye is estimated at about the same as last year's yield, or 88,000 metric tons, compared with 167,045 tons for 1942.

Meats and Products

Supply of Pork Products Limited in Eire

There were 16,000 bacon hogs in Eire ready for sale on December 31, 1943, compared with 14,000 on September 30 and 13,000 on June 30. The approximate number of hogs of all ages on feed on December 31 was 125,000, the same number as at the end of the third quarter of 1943.

A total of 86,105 hogs were slaughtered commercially during the fourth quarter of 1943. Hogs received at bacon factories in 1943 totaled 223,830 compared with 347,035 in 1942 and 823,592 in 1941. The decline in the hog population is attributed principally to a shortage of feedstuffs.

About 35 percent of the normal supply of pork products was available for the domestic market during the fourth quarter of 1943. The supply of pork products to wholesalers and retailers is on a quota basis.

Warehouse stocks of bacon at the end of the fourth quarter of 1943 amounted to 1.165 short tons, compared with 269 short tons at the end of the third quarter and 969 short tons at the end of the second quarter.

Supplies of bacon to be produced during the 3 months ending March 31, 1944, are expected to be small. With the stock on hand on December 31, 1943, however, it is hoped that supplies can be maintained for the quarter at about 33⅓ percent of normal.

Hog production probably will remain about the same as long as present conditions exist. In 1944, as during last year, it will be a case of producing hogs on whatever surplus feed is available. With increased tillage in 1944, the situation may improve after the next harvest.

New Zealand's Beef Exports

Exports of frozen beef from New Zealand during the first 11 months of 1943, totaled 18,834 long tons, valued at £NZ865,910, according to official figures published in New Zealand, compared with 38,386 tons, valued at £NZ1,883,248 during the corresponding period of 1942.

Exports of veal during the first 11 months of 1943 amounted to 6,065 tons, valued at £NZ269,024, compared with 4,503 tons, valued at £NZ215,490 in the first 11 months of 1942.

Note: The official buying rate for American dollars in New Zealand during the above-mentioned period was $3.26, equal to £1 New Zealand.

Uruguay's Cattle and Sheep Receipts

Cattle receipts at the Tablada in Montevideo, Uruguay, in January 1944, amounted to 43,070 head, compared with 110,856 in January 1943. While the number of cattle decreased, the average price increased, being 16.1 centesimos per kilogram live weight in January 1944, as against 11.9 a year ago.

The drought last year was the cause of many cattle being sent to market. This year, with pasturage much improved, farmers are holding their animals until they reach prime condition and can command better prices.

Sheep receipts for January 1944 were 214,031, compared with 151,043 in January 1943.

Decreased Cattle Herds in Venezuela

Venezuela's cattle herds have decreased very noticeably in recent years. It is reported that the loss to the herds, including animals that stray or die, is often as high as 40 percent.

It is evident that cattle production for meat in Venezuela must be connected more closely with supplies of concentrated fat-producing foods, and with more economical transportation routes to consuming centers. Some cattle production will likely shift to the foothills of the coastal ranges.

Venezuela's cattle exports were 45,615 head in 1934; and in 1943 they were estimated by the Cattle Growers Association at 47,600 head.

Consumption of cattle in Caracas amounted to 55,338 head in 1939, 76,600 head in 1941, and 85,000 head in 1943.

During the summer of 1943 there was a devastating flood in the Orinoco Valley of Venezuela which resulted in the loss of many head of cattle. Furthermore, many natives were reduced to such poverty that they were forced to sell their cattle for whatever they could get, thus damaging future production.

Beef can be bought in the Caracas market at 2.50 bolivares (1 bolivare=approximately $0.30 U. S. currency) per kilogram (1 kilogram=2.2 pounds). The cattle industry is handicapped by lack of transportation, of cold-storage facilities, and of cheap concentrated stockfeeds. Herds must be driven great distances to market, and are sometimes a month on the road. The possibility of constructing a railroad to the llanos to connect the cattle region with the consuming center is under consideration as a post-war project.

Glass and Products

Imports Into Jamaica, B. W. I.

Values of glass and glassware imported into Jamaica, British West Indies, in 1942 have been reported in the foreign press as follows (figures for 1941 in parentheses): Bottles, vials, and jars, £46,848 (£31,973); lamps, lamp chimneys, and globes, £6,146 (£6,833); mirrors, shelves, and table tops (chiefly mirrors), £7,008 (£4,422); plate and sheet, £14,801 (£7,445); scientific, £1,817 (£1,726); table, toilet, ornamental and desk, £25,907 (£6,935); other £6,693 (£4,210).

Glass Manufacture in Peru

There are eight factories in Lima, Peru, manufacturing bottles, articles of white and colored glass, and luxury flasks for the perfumery industry, the foreign press reports. The mirror industry is important, and the manufacture of ordinary flat glass is to be started soon. Maximum production so far amounts to 20,000 tons a year.

The glass factory of Herrand Hermanos, the oldest of its class in Peru, was recently inspected by President Prado. Located on Avenida Argentina in Lima, the factory covers an area of 20,000 square meters. Output of all kinds of glass articles, including stained glass, amounts to between 10,000 and 15,000 items a day, some of which are exported to neighboring countries. Domestic raw materials are used, with the exception of soda, potash, and borax. The factory has modern equipment, 300 workmen are employed, and the work is directed by Czechoslovakian technicians.

Glass Manufacture in Uruguay

Uruguay's glass-manufacturing industry continues to grow, the value of production in 1943 amounting to 1,943,868 pesos, compared with 1,915,707 pesos

City-Planning Project for Cairo Announced

Egyptian newspapers have been giving prominence to a plan proposed by the Minister of Wakfs (Moslem religious foundations) to construct a new, modern "city" on the west bank of the Nile between Embabeh and Agouza, and extending more than halfway to the Pyramids. The total area to be devoted to the new scheme is approximately 1,750 acres.

The project, as announced by the Minister of Wakfs, has a twofold purpose. In the first place, suburban construction on a large scale has been necessitated by the normal expansion of the city, the population of which is said to be increasing at the rate of 25,000 a year. Secondly, it is a practical method of increasing the revenue of the various Wakf properties.

The Minister of Wakfs has pointed out that, although Egypt does not yet have social insurance, the Wakfs have hitherto served the same end, since they were originally of the nature of religious trusts and their revenues were supposed to be distributed among the underprivileged classes. However, he stated, the income from the Wakfs has rarely amounted to much. He hopes that the realization of his project will result in the tripling of that revenue.

According to the plan, careful zoning restrictions will be enforced. Residential districts will be segregated from business areas, and much attention will be devoted to public institutions, such as mosques, churches, hospitals, Government buildings, and recreational facilities. With the cooperation of the Egyptian Department of Agriculture a forested strip is to be developed. The Ministry of Wakfs has been expecting to begin work on the arterial roads by this present date—April 1.

in 1942. Large quantities of fuel oil are needed, however, and continued shortages have forced many of the smaller factories to work intermittently. A shortage of arsenic also is reported.

Iron and Steel

1942 Imports, Jamaica, B. W. I.

Imports of iron and steel manufactures into Jamaica, British West Indies, in 1942, as reported by the foreign press, showed substantial decreases from the figures for 1941. Bars and sheets fell in value from £52,014 to £11,814; nails, screws, rivets, and staples, from £27,846 to £15,760; piping, from £33,917 to £8,975; roofing materials, from £26,876 to £581; barbed and other fencing wire, from £8,420 to £2,033. On the other hand, imports of hoops for containers increased from £3,864 to £6,290 and railway materials (not including rolling stock), from £11,146 to £12,538.

Pig-Iron Production, Chile

The Altos Hornos steel plant at Corral, Chile, produced 14,517 tons of pig iron in 1942. The increased production continues and contracts have been announced for the shipment of large orders to Argentina.

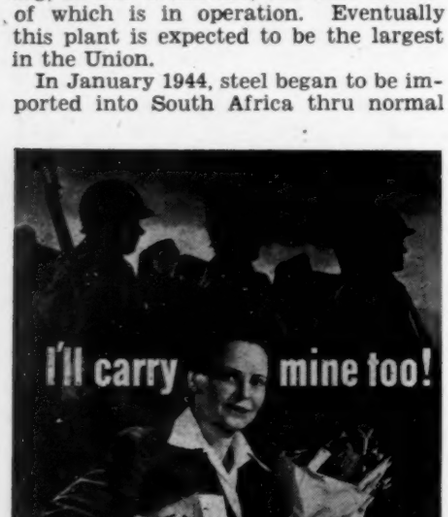
Losses in previous years were made up by Government subsidies.

Production and Imports, Union of South Africa

Ingot production in the Union of South Africa, now at a rate of about 500,000 tons a year, compared with 350,000 tons at the beginning of the war, is expected to increase to 600,000 tons a year by the middle of 1944.

Steel plate rolled to various thicknesses and cut to size is now being made by the new Van der Bijl steel works at Vereeniging, in the Transvaal, the first section of which is in operation. Eventually this plant is expected to be the largest in the Union.

In January 1944, steel began to be imported into South Africa thru normal commercial channels to meet civilian requirements, but the quantity was limited by the number of import permits issued.



Official OWI Photo

Manufacture in Uruguay

A small open-hearth furnace and rolling mill for the production of structural rods, bars, and shapes has been established in Uruguay, and production of 1,000 tons a month is expected in 1944. In the absence of raw material, it is hoped that the scrap supply will be adequate for continued operations, so that the building industry may be supplied with the reinforcing bars needed for concrete construction.

Leather and Related Products

Leather and Manufactures

Increased Production in Colombia

As tanning materials became more plentiful in 1943, Colombia's tanning industry expanded correspondingly. Domestic production of shoes, saddles, harness, and luggage also increased and almost completely replaced the former import market. Demands for novelty merchandise, luggage, and purses were not only to be found in the domestic market but in the exporters market as well.

Exports of dry cattle hides were unusually large in 1943, Mexico being the principal purchaser.

1942 Imports, Jamaica, B. W. I.

Imports of traveling bags into Jamaica, British West Indies, declined in 1942, dropping to 2,359 bags valued at £762 from the 1941 total of 17,153 bags valued at £3,829. Handbags showed a similar falling off, with value of imports in 1942 amounting to only £3,805, compared with 1941 imports valued at £8,005.

Boots and shoes of all kinds imported into Jamaica in 1942 numbered 38,547 dozen pairs valued at £222,350, an increase of more than 30 percent (in number) over 1941 imports of 29,049 dozen pairs valued at £119,909.

Shoe Manufacture, Chile

The manufacture of shoes, the principal industry in Valdiva, Chile, was somewhat curtailed in 1943 by war-born shortages of nails, imported lasts, and new machinery and parts. Factories not operating at full capacity expect to increase their production upon the arrival of new machinery, however.

Newfoundland Rations Footwear

Rationing of footwear has been ordered by the government of Newfoundland, effective as of February 12, 1944. Consumers are entitled to purchase one pair of boots or shoes between that date and September 30, 1944. Rationing of children's footwear is being given further consideration, and provisions for shorter rationing periods may have to be made for this type of shoes. Rubber footwear is as yet unrationed.

Footwear Manufacture in U. K.

Signs of overproduction of medium-priced and inexpensive footwear for men were noticed in the United Kingdom in January, but the demand for juvenile footwear continued to exceed the supply.

Manufacturers have been directed to provide at least 10 percent of their licensed output with wood soles. Approved methods of construction are: Cemented, standard-screwed, riveted, wood screwed, and stapled. Lectures on the procedures involved in repairing shoes with wooden soles have been arranged by the Board of Trade.

The amount of leather that can be used in these wooden-soled shoes is limited to 14 feet per dozen pairs. The uppers cannot consist of more than six pieces, and fabric uppers may be of sandal type or made to cover the foot entirely. Soles may be either solid or hinged. Platform soles are permissible, but flimsy types such as beach shoes are forbidden, and no additional cost may be applied for superficial decoration.

Processing and Manufacture in Uruguay

Uruguay's four principal tanneries processed approximately 263,000 salted cattle hides, 35,000 dry cattle hides, and 60,000 sheepskins during 1943. This represents an increase over 1942 operations of approximately 10 percent.

Shoe manufacturers, however, turned out only 756,066 pairs of shoes, as compared with 1942 production of 774,478 pairs. Both industries operated on the basis of one 8-hour shift daily for 5 days a week.

Tanning Materials

Argentina's Exports

Quebracho extract exported from Argentina during January 1944 amounted to approximately 14,372 metric tons. December 1943 shipments totaled only 7,186 metric tons, while January 1943 exports aggregated 10,375 metric tons.

During January 1944, 105 metric tons of urunday extract were shipped from Argentina.

Spain to Produce Tanning Materials

The Spanish Government plans to open a new tanning-extract factory at Grado, Asturias, states the foreign press. The plant will obtain tannin from chestnut wood and bark.

By establishing this new factory, Spain reportedly hopes to become independent of foreign sources for tanning materials.

Lumber and Products

Wooden-Container Imports, Jamaica, B. W. I.

Manufactured-timber imports into Jamaica, British West Indies, in 1942 consisted principally of wooden containers for the export of Jamaican products, the foreign press reports.

The most important items in this group were rum puncheons and barrels for citrus-fruit juices. Imports of rum

containers dropped 50 percent—from £60,928 in 1941 to £30,813 in 1942.

However, the total imports of barrels for citrus-fruit juices shows an increase of nearly 100 percent; amounting to £56,602 in 1942, compared with £28,404 in 1941.

Canadian Hardwood Exports

Exports of hardwoods from Canada to the United States during the first 9 months of 1943 increased approximately 28 percent over the comparable period in 1942, according to statistics released by the Canadian Timber Control.

Shipments amounted to 54,563,000 board feet in January to September 1943, compared with 42,552,000 feet for the first 9 months of 1942. Birch accounted for 65 percent of the total.

Logging Conditions in New Brunswick, Canada

Logging conditions in New Brunswick, Canada, have improved and production has been stepped up, says a Canadian lumber journal.

Although the 1944 output probably will be less than the total for last year, the decrease is not expected to be as great as previous estimates had indicated. Bad weather conditions, labor shortages, and lack of equipment continue to be the principal factors limiting production.

Manufacture of Wooden Crates, New Brunswick, Canada

Wooden crates supplanted jute bags for shipping seed potatoes from New Brunswick during the past winter, says a Canadian lumber journal.

In the only shipment that was made, 40,000 crates were used, all of which were manufactured in northern New Brunswick, it is stated.

Limited Demand for Colombian Mahogany

Contracts were made for limited amounts of Colombian mahogany in 1943, and some shipments were made. Increased activity in this branch is not expected in 1944 unless a greater demand develops.

New Sawmill at Coatzacoalcos, Mexico

A new sawmill is being established at Coatzacoalcos, Mexico, by the Tehuantepec Lumber Co.

Peruvian Timber Imports

Peruvian imports of timber and manufactures decreased 14 percent in value during the first half of 1943, compared with the corresponding period in 1942, says the foreign press.

Imports amounted to 4,502,000 soles in January to June 1943; the total for the first 6 months of 1942 was 5,240,000 soles.

New High Record Seen for Hemisphere's Rice Crop

Record production of rice in the Western Hemisphere has provided welcome wartime additions to food supplies and has replaced in large part former rice imports from the Far East, says a statement by the Office of the Coordinator of Inter-American Affairs.

The greatest expansion in rice acreage has taken place in Latin America, which before the war bought large quantities of rice from Asia.

With normal conditions, the 1944 rice yield in the Western Hemisphere will reach new record levels, the United States Department of Agriculture states. Rice production in the Western Hemisphere in the past 5 years has almost doubled, reaching a record-breaking figure of more than 200,000,000 bushels in 1943.

More than 100,000,000 bushels of the total were produced in South America, one-third in North America, and the remainder in Central America and the Caribbean area.

"Acreage devoted to rice has been expanded in recent years in virtually every Western Hemisphere country where soil, climate, and other physical conditions permitted increased production," the Department of Agriculture says. "Among the factors contributing to the expansion were increased domestic consumption brought on by increased employment and purchasing power, various forms of Government encouragement, and a good demand in export markets, especially after the cessation of exports from southeastern Asia."

Some of the other Americas which formerly imported rice now produce a surplus for export. These include Chile, the Dominican Republic, Haiti, Nicaragua. Brazil and Ecuador have increased production for export.

Several other former hemisphere rice importers are producing enough for their home needs. These include Argentina, Colombia, Honduras, and Guatemala.

Machinery, Other Than Electrical

Farm-Machinery Pools Being Established in Australia

Farm-Machinery pools are being established in various districts of Australia to help modernize methods of planting, cultivating and harvesting. The latest-type machinery is rented from the Government, says the foreign press.

Imports Into Jamaica, B. W. I.

More industrial machinery was imported by Jamaica, British West Indies, in 1942 (the last year for which figures are available) than in the preceding year, says the foreign press. Sewing machines and parts imported in 1942 were valued at £14,723, an increase over 1941's total of £8,306. Likewise, imports of shoemaking equipment rose from £631 in 1941 to £1,569 in 1942. Printing machinery, however, declined from £4,640 in 1941 to £3,012 in 1942.

Agricultural equipment imported by Jamaica during 1942 was valued at £48,617, a considerable decrease from £101,132 in 1941.

The foreign press says that drainage and irrigation machinery dropped from £10,676 in 1941 to £2,110 in 1942; stills from £1,137 to £291; sugar machinery from £40,843 to £25,440; field equipment from £15,154 to £4,323; and all other kinds of farm machinery from £33,322 to £16,453.

Situation in Bulgaria

Special workshops are being opened in Bulgaria to service and repair agricultural equipment before the spring season, reports the Nazi press. The shops also will set up new machinery which is reputed to have been ordered from abroad some time ago and is scheduled for delivery soon.

Advertising
Holds Friendship
of Those
You'll Sell Tomorrow

Medicinals and Crude Drugs

Penicillin Production in Australia

Production of penicillin in Australia is going forward in temporary quarters, according to the foreign press, although the Australian Government has authorized construction of a large factory for the purpose. The plant will cost £A65,000.

Quinine Situation in India

Stocks of quinine sulfate in India at the end of the year 1941–42 were 220,000 pounds, according to a report of the Public Accounts Committee published in the foreign press. This figure is considerably less than the 268,000 pounds in stock at the end of the preceding year.

Normal annual consumption of quinine in India is estimated at 210,000 pounds. Of this quantity, approximately 60,000 pounds were produced locally before the war. At present, production has increased by 50 percent. The report voices the hope that by 1946 India will produce 30,000 pounds of quinine on a new plantation which will employ extraction methods developed in the Soviet Union.

U. K.'s Production of Rose Hips

More than 500 tons of rose hips were gathered from the hedgerows of Great Britain and Wales during 1943, the British press states. The quality of vitamin C which can be derived from this crop is estimated as equivalent to that which can be obtained from 25,000,000 oranges.

Motion Pictures and Equipment

Film Review, Eire

The Film Censor in Eire reviewed 1,314 films (3,230,842 feet) in 1943. Of these, 819 films were passed, 381 were cut, and 96 were rejected; 18 cases were referred to the Board of Appeals.

Most of the films reviewed were drama and variety.

New Motion-Picture Service in French Morocco

A Government-owned motion-picture service, Centre Cinématographique Marocain, has replaced the Groupement de l'Industrie Cinématographique in French Morocco, and it is reported that strict control of the motion-picture industry will be exercised.

The new organization will be in charge of a director, to be named by the Residency, who will be assisted by representatives of the Directors of Political Affairs, of Finance, and of Information. Funds for operating expenses will be met through a 2-percent tax on gross receipts of all theaters and an additional charge of 50 centimes for each ticket costing more than 10 francs.

Film-distribution agencies of United States motion-picture producers apparently will not be affected by the new legislation.

Nonferrous Metals

Gold and Silver Production, Ontario, Canada

Production of 2,060,752 ounces of gold and 330,962 ounces of silver in Ontario, Canada, in 1943, represented a decrease from the 2,681,757 ounces of gold and 445,830 ounces of silver produced in 1942. In value the drop was from $103,426,465 to $79,459,940.

Nine gold mines in Ontario ceased production in 1943, leaving 41 in operation in December, when ore milled totaled 594,664 tons valued at $5,914,121, compared with output of 590,778 tons worth $5,960,343 in November 1943 and 794,294 tons valued at $8,052,916 in December 1942.

Chile's Imports

Chilean imports in 1942 of lead in ingots and bars, zinc, and ordinary tin plate increased by 1,967 tons, 1,299 tons, and 895 tons, respectively, over the figures for 1941, the foreign press reports.

Decreases were reported in imports of iron wire (10,243 tons) and soft iron piping or tubing (4,259 tons).

Spain's Copper Output

Substantial increases in copper production in Spain are reported by the foreign press for 1942, when output of blister and black copper totaled 6,973 metric tons compared with 4,497 in 1941, and refined and electrolytic copper totaled 8,548 metric tons compared with 4,813 in 1941.

The Spanish Strategic Metals Council sees a possibility of an increase of 8,300 tons in annual production—1,800 tons to be obtained from pyrites residues, 4,000 tons from porphyry, and 2,500 tons from the development of new mines.

Wolfram Production, Spain

Figures for wolfram production in Spain, published by the foreign press, show registered output of 1,874 tons in 1942 compared with 572 tons in 1941.

Between January and September 1942 registered production increased from 50½ metric tons to 224½ metric tons monthly, making a total of 1,114 tons, while the probable illegal production fell from 202½ tons to 28½ tons monthly, or an estimated total of 1,163 tons of illegal output.

Steps have been taken to stop illegal wolfram mining, prevalent in the Provinces of Caceres and Salamanca, adjacent to Portugal, and in Galicia.

Bismuth in Spain

Only 10 tons of bismuth were smelted in Spain in 1942 from the 86 tons of ore produced, says the foreign press, and the ore assays 25 percent metal. The low output in 1942 was attributed to a price of 50 pesetas a kilogram, said by producers to be unprofitable. The price has been increased to 90 pesetas a kilogram.

Ore production began in 1904 and smelting in 1918; average output increased from 5 metric tons in the period 1910–14 to 105 tons a year in 1923–35.

Office Equipment and Supplies

Jamaica's Purchases From Abroad

The total value of adding machines, cash registers, typewriters, and other kinds of office machinery imported by Jamaica, British West Indies, in 1942 was £7,073, a decrease of £1,288 from 1941. Of this group, adding machines with a total value of £3,013 in 1942 and £940 in 1941 were the only kind of office machinery for which an increase was reported during the period, claims the foreign press.

Oils and Oilseeds

Brazil's Castor-Seed Output Mounts

The production of castor seeds in Brazil has had an extraordinary development in the past several years, according to the South American press. Output from the 1943 crop is expected to be 250,000,000 kilograms, increasing from 200,000,000 kilograms in 1941 and in 1942. With Far East sources of tung oil cut off by war in the Pacific, countries in the Western Hemisphere have been dependent upon castor oil from Brazilian seeds for use in paints and varnishes. Interest in the industry has been revived, and castor seeds are being cultivated widely throughout Brazil.

Tung-Oil Production, Nyasaland

Nyasaland's tung-oil production for the 1943 crop is expected to show an increase of 130 percent over production from the 1942 crop, which was 200 percent higher than that of 1941, says the foreign press. The oil is finding usage in paint for many war purposes.

Sunflower Cultivation, U. K.

Experimental sowings indicate that conditions in Great Britain are particularly well-suited to the cultivation of sunflowers as a seed crop, the British press states. Yields ranged from 10 to 20 hundredweight of seed per acre, with an oil content of between 30 and 36 percent, it is claimed.

Paints and Products

Peruvian Imports

Peruvian imports of paints and oils increased in value during the first 6 months of 1943 over the comparable months in 1942, the foreign press reports.

Imports of these products in January–June 1943 amounted to 16,294,000 soles, whereas during the first half of 1942 the figure was 14,015,000.

Petroleum and Products

Supply Situation, Canary Islands

Gasoline distributed under control in the Canary Islands during the last quarter 1943 is said to have been adequate to meet both public and private needs. Kerosene was made available in sufficient quantities, and the amounts of gas oil released met the requirements of irrigation pumping stations and fishing boats.

Germany's Diesel-Fuel Problems

Germany, the country that gave the Diesel motor to the world, is having difficulty in producing Diesel fuel substitutes of satisfactory quality, according to a Nazi publication. While Diesel fuels of excellent quality are being produced by Fischer-Tropsch synthesis and by Bergius hydrogenation, the article continues, they are very expensive, due to the cost of raw material, especially hydrogen, and to the expensive plants and methods of operation. The cost of producing good synthetic Diesel fuel is therefore as great as that of synthetic gasoline.

Less expensive Diesel fuels, those produced by low- and medium-temperature carbonization or those in the manufacture of which lesser amounts of hydrogen are used, are said to be inadequate for the motors under their present design. They have poor ignition value, poor viscosity, and, because of certain properites, have a tendency to coke formation and corrosion and formation of sludge when blended with other fuels or in contact with lubricants. If Diesel motors are to be powered with inexpensive synthetic fuels, either their design must be changed or the present inefficient processes for low-cost fuels must be improved.

Petroleum in Hungary

While an exporter of crude oil, Hungary is dependent upon imports for lubricating oil and asphalt. The foreign press states, however, that the petroleum industry is becoming more prominent; this is indicated by the fact that a section for mineral oil and natural gasoline production—consisting of the four companies engaged in these operations—has been formed within the framework of the Association of Hungarian Industrialists.

Nigerian Truck Runs on Palm Oil

A lorry (motor truck) has been operated successfully on palm oil in Nigeria, according to the foreign press, following preliminary tests made in Great Britain. Experiments with the use of palm oil in Diesel motors were made in both Great Britain and Nigeria with generally favorable results, it is claimed. The most unsatisfactory point was the wear on fuel pump parts due to the imperfect filtering out of sand and other foreign particles.

Palestine Cuts Trucks' "Gas" Ration

As from December, the basic gasoline ration for trucks in Palestine has been halved, says the British press, in order to conserve tires and oil. Supplementary rations may be obtained by essential users, but accurate records must be kept and strict accounting made for the allocation.

Special Oil Obtained From Swedish Shale

A special oil used to insulate and cool transformers has been obtained from Swedish shale oil, according to unofficial reports from Europe. Formerly 3,000 tons of this oil had to be imported; now requirements can be met by home production, it is said.

Rubber and Products

Rubber-Articles Production, Mexico

Rubber articles manufactured in Mexico in January 1943 required 288,107 kilograms of crude rubber, according to figures recently released in an official Mexican publication. Among the articles produced were: 19,857 pneumatic tires for cars and trucks; 3,473 tires for bicycles; 7,078 tubes for automobiles and trucks; 3,000 tubes for bicycles; 866,620 pairs of rubber heels; 2,592 pairs of rubber soles; 55 rolls of rubber tape; 11,734 meters of rubber tubing; and 130 rubber-coated rollers.

Rubber Shortage in Rumania Acute

The rubber shortage in Rumania is so acute that only reclaimed rubber is now being used in the manufacture of electrical accessories, states the foreign press. In some cases paper is replacing rubber.

Tire Situation in Sweden

Deliveries of buna synthetic rubber from Germany to Sweden in 1943 amounted to only about 40 percent of the agreed quantity of 1,800 metric tons. Deliveries in the future are uncertain, and Sweden is in need of synthetic rubber from other sources.

At the present time tires and tubes requisitioned from deregistered vehicles (passenger cars, trucks, and busses) which are not needed for military or other essential purposes are being used. The 16-inch tires obtained this way, while fewer than had been expected, totaled 225,000. According to these figures, tires could be furnished 10,000 trucks rebuilt with P-Boggies; not more than 7,500 have been converted up to the present time.

The Industrial Commission, in charge of tire procurement, has promised 16-inch tires, for delivery within the next 2 years, to owners of about 12,000 essential private cars and light trucks.

A fairly large quantity of tires was obtained as a result of an order forbidding owners of nonessential passenger cars to operate on tires of "critical" size, asking them instead to use smaller tires or to exchange their cars for cars requiring smaller tires. Tires obtained in this way went principally to taxicabs, police cars, and ambulances.

The Commission will endeavor to keep tires in reserve for the essential passenger cars and hopes to keep both P-Boggies and trucks using regular truck tires in operation until the end of 1944. Unless supplies of rubber are made available to Sweden by that time, the number of vehicles in operation will have to be reduced.

While production of neoprene synthetic rubber is to begin at Ljungaverk, the Commission does not believe that there will be sufficient rubber from this source to relieve the situation materially before the latter part of the year, although appropriations for doubling the capacity of the plant have been made by Parliament.

While Sweden's position in regard to rubber has been difficult for 4 years, it will become critical by the end of 1944 unless some relief is offered.

Special Products

Imports of Clocks, Watches, and Books Into Jamaica, B. W. I.

Imports of clocks into Jamaica, British West Indies, decreased in 1942, but im-

War Demand for Brazilian Crystals Up 50 Times

Wartime consumption of quartz-crystals has increased almost 50 times compared with pre-war levels, and this war demand has been met by expansion of production in Brazil, according to Richard J. Lund, director of the Miscellaneous Minerals Division, United States War Production Board.

Brazil, Mr. Lund points out, is virtually the only world supplier of quartz crystals, essential in the manufacture of radio equipment for the armed forces.

Mr. Lund says the value of quartz crystals imported from Brazil has increased to the point where the crystals no longer can be considered "a minor non-metal." At present rates, he explains, the value of quartz imports from Brazil approximates that of phosphate rock produced in the United States and exceeds the combined value of domestic production of crude feldspar, fluorspar, and crude gypsum.

"This increase in Brazilian output," he reports, "was accomplished in part by price stimulation which has not been controlled by specific OPA order, and in part by United States Government assistance in mechanizing many of the Brazilian producing properties.

"During 1943 a serious attempt was made to discover and exploit domestic deposits, but the material recovered has proved too low-grade for continued operations.

"Heavy consumption of radio-grade quartz crystals, including stockpiling under the established program, could not have been met solely through increased production. A major contribution here was the energetic conservation and substitution program pushed by the Government late in 1942 and early in 1943 which resulted in discovering the usability of inferior quartz for manufacture of satisfactory radio oscillators. Scrap recovery also contributed substantially to this program."

ports of watches increased, the foreign press reports. In both cases, however, the totals were far below pre-war figures.

In 1942, a total of 1,329 clocks, valued at £479, was imported—719 being from Canada and 595 from the United States. In the preceding year, 3,339 clocks valued at £1,138 were received.

Watches imported in 1942 numbered 1,209 (£1,295), of which the United States supplied 710, Switzerland, 271, and Canada 201. This was a substantial increase over 1941 imports of 802 watches valued at £207.

Germany formerly supplied a large part of the Jamaican watch and clock market.

Printed books imported by Jamaica in 1942 were valued at £13,471, according to a foreign trade journal. The United States was the leading supplier, being credited with £7,210, the United Kingdom was second with £5,600, and Canada third with £591.

Similar imports in 1941 were valued at £19,468.

Tennis-Ball Manufacture Resumed in New Zealand

A firm in Auckland, New Zealand, has been granted permission to resume the manufacture of tennis balls and a limited quantity of rubber has been allocated for that purpose by the Ministry of Supply, the foreign press reports. Production for the 1943–44 season is expected to total about 7,000 dozen balls, of which about 5,000 dozen are intended for civilian use and 2,000 dozen for the armed forces. This will be sufficient to satisfy only a small part of normal demand.

Volunteer workers are being recruited from tennis clubs to assist in manufacture of the balls. Distribution will be handled by the New Zealand Lawn Tennis Association.

"Prams" for Ulster

A new perambulator factory is now in operation in Northern Ireland, United Kingdom, the British press reports. Total production allocation is 15,000 perambulators a year.

Textiles and Related Products

Argentine Exports Mount

Exports of textiles, excluding wool, and their manufactures from Argentina jumped 217 percent in value, according to published figures; in the first 11 months of 1943 these exports were valued at 189,545,441 pesos, and only 59,872,483 pesos in like months of 1942.

Cotton and Products

Imports by Jamaica, B. W. I.

Jamaica's imports of cotton piece goods in 1942 were only 11,091,435 yards (£402,394)—less than half of the preceding year's receipts of 23,347,658 yards (£531,626), according to a Canadian publication. The greater portion came from the United Kingdom and India.

Official OWI Photo

Imports of cotton sheets, pillow cases, blankets, and towels reached a value of £28,749 in 1942, as compared with £27,984 in 1941, the United Kingdom being the largest supplier.

Expanded production of shirts and knitted underwear, stimulated increased imports of cotton yarn and thread, which reached a value of £22,544 for yarn, and £57,764 for thread. The 1941 values were £6,016 and £48,421 respectively.

Canada's Raw-Cotton Purchases

Raw-cotton imports into Canada dropped considerably in 1943, when only 143,017,950 pounds were received, as compared with 276,410,568 pounds in 1942, according to a Canadian trade journal.

At present the cotton industry is engaged largely on production of civilian goods.

Cotton in Peru

Peru's 1944 cotton crop was progressing favorably, according to February reports, but scarcity of fertilizers may affect the yield.

Cotton sales in December were 30,702 quintals (of 46 kilograms), compared with 26,719 quintals in November. This makes a total of 979,552 quintals for 1943, of which 885,656 quintals were Tanguis and 91,805 Pima.

Stocks at ports at the close of 1943 amounted to 948,491 quintals; by February 3 these had been reduced to 915,275 quintals. Forward sales of 1944 Tanguis cotton continued on a moderate scale in December, 13,066 quintals having been sold at an average price of 115.44 soles. Total forward sales of 1944 cotton, by the end of 1943, reached 34,045 quintals, the average price being 114.80 soles.

In December, 1,734 metric tons of cotton were exported, slightly above the 1,273 tons shipped in the corresponding month of 1942. Over half the 35,690 tons of cotton exported in 1943 went to the United Kingdom. In 1942 only 33,676 tons were exported, but the 1941 total of 82,746 tons was much higher, because of large shipments to Japan.

United Kingdom Developments

United Kingdom spinners were rushed with orders in January. To meet the mounting demand for yarn and cloth, Lancashire cotton mills, handicapped as they are by labor shortages, were asked to resume overtime on March 6, extending the working week to 52 hours. Raw material appears to be plentiful.

Manufacturers are fully booked for production of utility goods and special government orders. Greater efficiency is attained by keeping looms occupied on the same type of cloth month after month.

Export allocations for the first quarter of 1944 were issued in December but in a few weeks' time sufficient orders were placed to exhaust current allocations.

An exhibition of furnishings was opened in Manchester early in January. Samples of fabrics to be made available after the war were on display.

Exports of cotton yarn from the United Kingdom amounted to 4,840,000 pounds in the fourth quarter of 1943, compared with 4,896,000 pounds in the preceding quarter and 4,499,000 pounds in the fourth quarter of 1942, according to published reports. Shipments during all of 1943 aggregated 19,200,000 pounds, or somewhat above the 18,800,000 pounds exported in 1942.

Cotton piece goods declined to 80,899,000 square yards in the last quarter of 1943, as against 102,881,000 in the third quarter, and 114 810,000 pounds in the fourth quarter of the preceding year. Total shipments during 1943 were 374,300,000 square yards, or more than 100,000,000 square yards below the 484,200,000 square yards of cotton cloth exported in 1942.

Synthetic Fibers

British Guiana's Imports

During the first 9 months of 1943, British Guiana imported 1,268,173 yards of rayon fabrics, according to a British textile publication. In the corresponding period of 1942, 1,187,219 yards were imported.

Mozambique's Purchases

In the first quarter of 1943, 2,480 kilograms of silk and rayon fabrics were imported into Portuguese East Africa, reports a foreign publication. This is less than half of the 6,554 kilograms received in the corresponding period of 1942.

United Kingdom's Rayon Exports

Rayon yarn and piece goods exports from the United Kingdom dropped materially in 1943, according to figures published in a British periodical.

In the fourth quarter, 2,619,000 pounds of rayon yarn were exported, as compared with 3,987,000 pounds in the third quarter, and 3,675,000 pounds in the fourth quarter of 1942. For the twelve months of 1943, exports of rayon yarn totaled 14,200,000 pounds, whereas 16,300,000 pounds were exported the preceding year.

Rayon piece goods exports were reported as 15,631,000 square yards in the fourth quarter and 19,702,000 square yards in the third quarter of 1943, whereas in the fourth quarter of 1942 they totaled 22,822,000 square yards. Exports of rayon cloth aggregated 74,800,000 square yards in the entire year of 1943, and 114,400,000 square yards in 1942.

Demand for rayon yarn in the United Kingdom exceeded supply in January. War orders were plentiful, according to trade reports, particularly for high tenacity yarns for tire fabrics.

Trade in rayon fabrics continued active, with special emphasis on government orders and utility goods.

Exports were on a moderate scale.

Wool and Products

South African Arrangement With Britain To Be Prolonged?

Some years ago the British Government contracted to purchase South Africa's wool clip for the duration of hostilities and one year thereafter.

According to an African publication, representations have recently been made to the British government to prolong this arrangement.

Exports From U. K. Drop

Exports of woolens from the United Kingdom have declined drastically because of wartime difficulties and restrictions. This is indicated by the following figures, recently published in a British trade journal:

Exports of Woolens from the United Kingdom

[Figures in thousands]

Item	Fourth quarter 1942	Fourth quarter 1943	12 months 1942	12 months 1943
Woolens....sq. yds.	8,493	5,585	47,800	27,894
Worsteds.....do....	5,179	3,105	25,446	16,305
Tops.....pounds..	2,332	1,502	11,754	8,248
Woolen yarn..do....	146	175	649	693
Worsted yarn..do....	1,789	1,524	8,748	7,213

Miscellaneous Fibers

Jute in Argentina

Experimental sowing of jute in Argentina have proved so satisfactory that the Government has decided to promote its cultivation, according to the foreign press.

Cultivation is to be under strict control, and a fund of 300,000 pesos has been established to finance the project.

Jute is used extensively in the manufacture of grain sacks, and domestic interest in this crop is not expected to terminate after the war, when other sources of supply again will be available.

U. K. Jute Industries Busy

Jute spinners and manufacturers in the United Kingdom were busy during January, being limited only by available labor supply.

United Kingdom's Flax Crops

Flax crops of Great Britain and Scotland were so successful in 1943 that efforts will be made to achieve a planting of about 58,000 acres in 1944, reports a foreign trade publication.

Jute in Colombia

Jute cultivation has gained the attention of the Government of Colombia and may be developed in that country. Experimental plantings of seeds brought from India have proved satisfactory and may become the nucleus of further cultivation.

New Flax-Pulling Machine, U. K.

A machine demonstrated in the United Kingdom recently is capable of pulling 5 acres of flax in one day. It is operated by two attendants, according to a foreign trade publication. Five men pulling by hand would work a whole day to complete only 1 acre, it is said.

Wearing Apparel

Hosiery for Jamaica, B. W. I.

Imports of all types of hosiery into the island of Jamaica dropped very materially in 1942, aggregating only 348,007 pairs, as compared with 1,129,058 pairs in the preceding year, according to foreign press reports. Cotton hosiery had previously come from Hong Kong, and these were not available in 1942, while manufacture of silk hosiery was restricted.

Imports of gloves, handkerchiefs, and felt hats increased in value. In general this was a reflection of higher prices.

Rayon piece goods rose by almost 900,000 yards.

Details on selected items are shown in the following table:

Item	1941		1942	
	Quantity	Value	Quantity	Value
Cotton hosiery pairs	551,314	£12,297	137,399	£5,532
Rayon hosiery..do....	345,440	11,220	91,125	4,731
Silk hosiery....do....	21,608	2,473	6,372	1,063
Hosiery, not included in the above pairs....	202,548	6,217	104,441	5,533
Gloves	.....	111	.....	316
Handkerchiefs	.....	2,806	.....	8,787
Felt hats	.....	4,204	.....	5,769
Straw hats	.....	4,712	.....	4,070
Hats of other materials	.....	3,014	.....	2,292
Rayon piece goods yards	2,000,564	97,914	2,920,716	186,559

Britain's "Austerity" Apparel

Clothing dealers in the United Kingdom who on January 31, 1944, had stocks of austerity suits, jackets, and trousers, may now sell them to the Ministry of Supply for the relief clothing reserve. Traders will receive the original coupon value of 26 points per suit, which will be required for restocking with nonausterity suits, the manufacture of which has been authorized recently.

Austerity suits have been reduced to 20 coupons in the retail trade.

Tobacco and Products

Lend-Lease Shipments

Tobacco, delivered at shipside for export under Lend-Lease in the calendar year 1943 totaled 166,512,697 pounds while tobacco products amounted to 359,300 pounds, according to the U. S. Department of Agriculture.

Argentine Cultivation

The first official estimate of the area planted to tobacco in Argentina in the 1943–44 season is placed at 18,500 hectares (1 hectare=2.47 acres). This acreage exceeds that of the 1942–43 season by 700 hectares.

The following table gives the statistical background of tobacco cultivation in Argentina during the past 5 years:

Year	Area planted	Production
	Hectares	*Tons*
1938–39	18,767	20,346
1939–40	20,360	18,494
1940–41	21,810	18,022
1941–42	18,380	14,847
1942–43	17,795	(1)

[1] Data not available.

Crop in Bahia, Brazil

Latest estimates place the 1943–44 tobacco crop in Bahia, Brazil, at between 220,000 and 250,000 bales of 75 kilograms each (36,300,000 to 41,250,000 pounds). It is expected that the crop will be of fair quality.

Stocks on hand in the city of Bahia on January 31, 1944, amounted to 156,349 bales (25,797,585 pounds).

Nazis Lack Cigarettes

Tobacco and tobacco products are so scarce in Germany today that even the official ration of three cigarettes per day for men and half that for middle-aged women is often unobtainable, states the foreign press.

Southern Rhodesia's Crop

Latest official estimates of the 1942–43 crop of tobacco in Southern Rhodesia are as follows: Flue-cured tobacco, 31,000,000 pounds wet weight from 63,800 acres; fire-cured tobacco, 700,000 pounds wet weight from 1,400 acres.

Final reports on the actual quantities of tobacco harvested in the 1941–42 season indicate the amounts to have been: Flue-cured tobacco, 46,579,011 pounds wet weight from 74,376 acres; fire-cured tobacco, 937,527 pounds wet weight from 1,505 acres.

It's not too Early to put Your Post-War Planning to Work

Contributors' Column

Kenneth W. Baker ("North Brazil's Food Problem").—Mr. Baker's interest in agriculture has deep roots, going back to his boyhood days that were passed on a dairy farm in Frederick County, Md., where he was born. At the University of Maryland he studied agricultural economy, including courses in education and extension work to win both his Bachelor's and his Master's degree. He followed this with additional post-graduate work at Columbia and the University of Minnesota, studying administration. Returning to Maryland, he became county agricultural agent in Queen Anne's County, where he helped to establish such activities as farm security, tenant purchase, production credit association, agricultural adjustment administration. In 1939 he joined the Delaware Extension Service and subsequently was named Associate Director of Extension. Shortly after the inter-American food-supply program was launched in Brazil, he took a leave of absence from his Delaware post to join the agricultural mission sent to that country by the Office of the Coordinator of Inter-American Affairs.

Earl N. Bressman ("Quinine's Dual Role in This Hemisphere").—See the January 22, 1944, issue of FOREIGN COMMERCE WEEKLY.

Murray Frank ("The Fisheries of South America").—Born in New York City, May 10, 1908. Educated in public schools in New York. Studied at New York University, School of Commerce. B. A. degree George Washington University, Washington, D. C., 1936. M. A. degree American University, Graduate School, Washington, D. C., 1937. Taught in the District of Columbia 1937–41. Entered Federal Service in June 1941 in the Office of Government Reports, Executive Offices of the President. Joined the Bureau of Foreign and Domestic Commerce, April 1942, in the International Economics and Statistics Unit. Since May 1943 with Foreign Economic Administration as Economic Analyst. Acting Chief, Processed Foods Supply Unit, Supply and Resources Division.

Amos E. Taylor ("Golden Rule of Economics").—See the October 23, 1943, issue of FOREIGN COMMERCE WEEKLY.

Felt as Rubber Substitute?

Felt can now be processed to permit its use as a substitute for rubber, according to the foreign press. It can assertedly be used for insulations, packing, gaskets, shock absorbers, and upholstery.

The method was developed in the United Kingdom, but details are not disclosed.

U. S. Export Control and Related Announcements

(Developments communicated to the Trade Controls Unit up to Tuesday, March 21, 1944)

The Requirements and Supply Branch, Bureau of Supplies, Foreign Economic Administration, has issued the following Current Export Bulletins:

No. 521—*Current Export Bulletin No. 152, March 14, 1944*

MODIFICATION OF DECENTRALIZATION PROCEDURE

A. Effective March 15, a further roll-back of the decentralization plan has been made by the removal of additional commodity groups from the import recommendation system. This roll-back follows the simplification in the decentralization procedure which was announced in Current Export Bulletins Nos. 124 and 137. (Announcements 491 and 504 in FOREIGN COMMERCE WEEKLY for October 2, 1943 and January 8, 1944, respectively) and which was subsequently incorporated in Comprehensive Export Schedule No. 13.

It is emphasized that this modification of the decentralization plan is designed to simplify existing procedures and that exports of the commodities named in paragraph B, below, continue to be subject to the quantity and other limitations of the War Production Board and other war agencies.

The other American republics which are adopting this modification are:

Brazil.	Ecuador.
Chile.	Guatemala.
Colombia.	Haiti.
Costa Rica.	Honduras.
Cuba.	Panama.
Dominican Republic.	Paraguay.
Venezuela.	Peru.
El Salvador.	Uruguay.

B. The commodities which are to be exported to any of the countries named above and for which applications for export licenses will be considered without accompanying import recommendations are listed below. In removing these commodities from the decentralization procedure, the Foreign Economic Administration will endeavor in so far as possible to honor those applications which are accompanied by import recommendations already issued. It should be noted that these commodities which are listed below have been withdrawn from the decentralization plan due to production scheduling and related problems as well as due to the desire to reduce to a minimum paper work for exporters and importers.

(1) *Trucks, passenger cars, busses, and other motor vehicles.*—The trucks, passenger cars, busses, and other motor vehicles which no longer require import recommendations are those classified under the following Schedule B numbers:

Commodity	*Schedule B Numbers*
Trucks	7901.01–7901.03, inclusive. 8902.01, 7902.02, 7903.01. 7904.31–7904.65, inclusive.
Passenger cars	7907.00–7910.00, inclusive.
Busses	7905.00.

(2) *Typewriters and other office appliances.*—The office appliances which no longer require an import recommendation are *only* those classified under CMP Code No. 472 of the Service Equipment Division of the War Production Board.* The corresponding schedule B numbers are 7752.00 to 7779.00, inclusive. In determining whether or not an import recommendation is required the exporter and foreign importer will be guided by the CMP code classification of the commodity rather than the schedule B classification.

(3) *Radio receiving tubes and other radio equipment.*—The radio equipment for which an import recommendation is not required is only that which is classified under any of the CMP Code numbers listed below:

Commodity	CMP No.	Schedule B Nos.
Capacitors	500	7079.98, 7081.98, 7076.98.
Microphones and speakers	505	7076.98, 7099.98, 7080.00, 7079.98.
Resistors	506	7079.98, 7076.98.
Vibrators	508	7079.98.
Test sets	509	7038.98.
Tubes	511	7078.05, 7078.98, 7076.05, 7076.98.
Intercommunication equipment	512	7099.98.
Radio hardware	729	7079.98, 7076.98.
Radio receiving sets	.....	7077.05, 7077.98.
Radio transmitting sets	.....	7076.05, 7076.98.
Repair parts	835	7079.98, 7081.98.

In determining whether or not an import recommendation is required, the exporter and foreign importer will be guided by the CMP code classification of the commodity rather than the schedule B classification.

(4) *Petroleum products.*—The petroleum products which do not require import recommendations are those classified under schedule B Nos. 5011.03 to 5059.00, inclusive.

(5) *Parts for repair but not for assembly of certain items of capital and industrial equipment.*—Necessary repair parts for certain industrial and capital equipment which are required for repair purposes only (but not parts required for assembly) for the equipment listed below, will no longer require import recommendations. These parts for the repair, but not for assembly, of the machinery and equipment covered by the following CMP code numbers * are:

WPB Industry Division	CMP Code No.	Equipment
Automotive	400	Generator sets, electric: Diesel engine driven over 750 r. p. m. nonmarine, gasoline engine driven.

*See listing in "Products and Priorities", published monthly by War Production Board, for sale by the Superintendent of Documents, U. S. Government Printing Office, Washington, D. C. Price 20 cents per copy, $2 per year.

WPB Industry Division	CMP Code No.	Equipment
Chemical	241	Chemical and allied products machinery.
	242	Paint and varnish making machinery.
	243	Drug, cosmetic, pharmaceutical machinery.
	244	Plastic molding machinery.
	247	Animal, fish, vegetable oil machinery, equipment.
	931	Glass making machinery.
Communications	515	Telephone, Telegraph equipment.
Construction	310	Construction material mixers, pavers, spreaders, related equipment.
	311	Construction material processing equipment.
	312	Power cranes, derricks, draglines, dredges, shovels, and related equipment.
	313	Scrapers, maintainers and graders.
	314	Winches and hoists: contractors' elevating.
Farm machinery	451	Agricultural machinery: Farm elevators, harvesting, haying machinery.
General industrial equipment	138	Compressors, dry vaccum pumps: Reciprocating air and gas: Industrial.
	141	Pumps, industrial: Not measuring, dispensing, reciprocating compressors, dry vacuum or heating.
	145	Conveyors and conveying systems: Not underground mine, portable construction machinery.
	149	Fans, blowers, exhausters: Not turbo blowers, soot blowers, domestic propeller type fans.
	150	Dust collecting equipment: Not sheet metal appurtenances.
	151	Turbo blowers, exhausters.
	154	Speed changers: Not turbine reduction, ship engine room auxiliary gears.
	157	Elevators: Not shipboard, portable industrial trucks, mine hoists.
	162	Heat exchangers.
	163	Spraying equipment: Industrial.
	166	Presses, baling: Not agricultural.
	169	Filters, separators, strainers—Oil, gasoline: Not aircraft, petroleum industry; not hand filters.
	199	Cocoa, chocolate and confectionery processing machinery.
	200	Bakery machinery: Not field.
	201	Canning plant machinery.
	202	Cereal manufacturing machinery.
	203	Dairy and milk products plant machinery.
	204	Meat packing-house machinery and equipment: Not oil, fats, and grease processing machinery.
	205	Sugar mill and refinery machinery: Cane and beet.
	236	Logging and sawmill machinery, woodworking machinery, wooden-box making machinery, wood-treating dry kilns.
	237	Tobacco manufacturing machinery and equipment.
	239	Ceramic manufacturing machinery.
	252	Can making and can closing machines.
	360	Wire working machinery.
	366	Welding equipment and apparatus: electric.
	401	Motors, generators, electric: Not motors made by electric appliance manufacturers for incorporation therein; not generators for specified uses.
	406	Electric motor controls and equipment: Not gunfire or antiaircraft.
	436	Anodizing equipment.
	437	Electroplating equipment.
	478	Beverage and bottling machinery.
	481	Packaging, wrapping, and bag making machinery.
	531	Refrigeration, air conditioning equipment: Not domestic refrigerators.
	655	Pressure vessels: Specified types assigned to GIEQ Division.
Government: Office of Civilian Requirements.	681	Sewer cleaning and sewage treatment machinery.
Mine	144	Crushing, grinding machinery; stationary: Mine, smelter types.
	300	Mine cars and locomotives: Underground.
	301	Coal cutting machines.
	303	Hoists: Mine, smelter types.
	304	Mine loaders: Underground.
	305	Ore dressing and coal preparation equipment: Not crushers, grinders.
Petroleum	317	Petroleum industry machinery and equipment; drilling and production: Specialized.
Plumbing and heating	474	Dishwashing and glass-washing machinery: Commercial.
Power	130	Generator sets, electric: Steam turbine, land use.
	132	Turbines: Gas.
	133	Turbines: Hydraulic.
	134	Turbines: Mechanical drive, steam, land use.
	158	Boilers, steel: Design steam pressures above 15 lbs. per sq. in.; specified types assigned to the Power Division.
	159	Pulverizers: Coal.
	160	Stokers: Over 36 sq. ft. grate area.
	161	Condensers; steam: Not pumps and instruments, heat exchangers, naval craft.
	171	Tube cleaners: Not soot blowers for marine shipboard use.
	402	Synchronous condensers and frequency changers: Over 500 k.w. at 80 percent power factor.
	403	Transformers: Power and distribution.
	404	Regulators: Induction type.
	407	Switchgear, electric: Heavy duty; not industrial panel, distribution boards.
	435	Rectifiers: Mercury arc power.
	550	Water conditioning, purification equipment.
	564	Generators, electric: Specified uses.
Printing and publishing	226	Printing trades machinery and equipment.
Pulp and paper	933	Pulp and paper mill machinery.
Radio and radar	255	Vacuum tube manufacturing, processing and testing machinery.
	512	Intercommunication equipment; wire: Electronic.
	600	Control valves and regulators: Industrial.
	602	Instruments: Industrial type.
Rubber	232	Tire retreading, recapping, and repairing machinery and equipment.
	919	Rubber making machinery, equipment.
Safety and technica lsupplies	250	Optical and ophthalmic goods making machinery.
	940	Safety and technical equipment Division: Miscellaneous.
Service	472	Office machinery.
	475	Laundry, dry cleaning, pressing machinery: Commercial.
	547	Motion picture projection equipment: 33 mm.

(Continued on p. 36)

North Brazil's Food Problem

(Continued from p. 5)

birds. The poultry establishments serve the food-production program in three ways: (1) as sources of superior breeding stock; (2) demonstration of efficient operations; (3) demonstration of the merits of locally produced poultry feeds; and (4) production of poultry meats and eggs for food. Use of modern equipment for hatching, brooding, and rearing chicks, for the housing, feeding, and care of layers and breeders, for the grading and marketing of eggs, is shown to poultry producers. The value of locally produced babassu meal for chicken feed, for instance, was pointed out. The additional poultry and eggs have been a timely help for quartermasters who procure food for United States armed forces, as well as for Brazilians. The Army and Navy have cooperated readily in this work.

Pork supplies have been increased through special projects near defense bases and large communities. At Natal, for instance, the commission in its first year established a project with 600 hogs. Supplies of vegetables and fruit also were increased sufficiently to cover the requirements of Brazilian and American armed forces in the Recife area. In the same way, vegetables, eggs, fruit, and pork were supplied for defense forces at Recife.

Enduring Benefits

The food-growing program came out of a wartime emergency. But it is apparent now that it will bring long-range benefits to northern Brazil, as well as solve the food problem of the moment. The poultry farms illustrate the demonstration of efficient producing methods, the improvement of birds. This is useful knowledge for the future. So is the demonstration of what can be done with farm tools, with new crops.

Training centers and courses have been established as an essential part of the program. Six farm training centers have been established, with 20 trainees each. Sixty-two trainees completed a poultry training course. And 52 are attending a training course in nutrition. Young Brazilians are being invited to the United States to observe United States methods of food production, irrigation, and allied activities. Ten of these are now in the United States. Others are scheduled to come.

The purpose of the nutrition course is to instruct capable young women who, upon completion of the course, will return to their home States and communities to develop practical nutritional education. Two young women from each State in Brazil were selected for a 6-months training course. The course includes dietetics, food preparation and preservation, hygiene, and study of diseases transmitted by foods.

Instruction Is Practical

At the farm training centers, farmers' sons get instruction, lasting 10 months

to a year, in agronomy and agricultural practices. The emphasis is on practical instruction. One farm training center is being set up in the Amazon Valley at Calderao, and two additional centers are planned at Santarem and Rio Branco.

Probably only 5,000 to 10,000 additional acres have been planted to food crops in the Amazon under the commission's program, mostly in the State of Para. But farm training in the Amazon is important from the longer-range standpoint. Brazil's Amazon development, while stimulated by the war need for rubber, has a long perspective.

Amazon development on any considerable scale must surmount formidable obstacles. Food supply is one of them. Other major problems are transportation and disease. The effort to increase rubber production quickly in the Amazon has turned the spotlight on these obstacles. Nevertheless, Brazilian-United States cooperation has made progress in overcoming the difficulties. Farm training is *another step forward.*

"Proof of the Pudding . . ."

Natural resources are abundant and excellent in many areas where the food work has been started in northern and northeastern Brazil. The possibilities, given favorable weather, are shown in the expansion of food production through the work of the Brazilian-American Food Commission. Brazilian cooperation in this work has been wholehearted.

The soldier who gets his ham and eggs for breakfast at a Brazilian air base, the civilian worker who eats his fill of rice and beans, the public official who has quit worrying about food shortages, the far-sighted observers who ponder what this work means for future development of northern Brazil—all these see that Brazilian-American cooperation on the food front, as in military phases and in production of strategic materials, has a very tangible meaning.

Swedish Steel Companies Acquire Ore Deposits

Acquisition, by six Swedish steel companies of rights to all the ore claims in Kramstaberg in Jarvso, northern Sweden, is reported in the foreign press. A desire to secure the vanadium-containing iron ores in that locality for the future use of Swedish industry is given as the reason for the acquisition. Apparently there are no prospects for working the ore finds at present.

Cement-Production Figures

Cement-production figures, published by the League of Nations, show output of 1,123,000 metric tons in Canada in the first 11 months of 1943; 614,000 metric tons in the Union of South Africa and 244,000 tons in Chile in the first 8 months; 167,000 metric tons in Colombia and 181,000 in Portugal in the first 9 months of the year.

U. S. Export Control and Related Announcements

(Continued from p. 35)

WPB Industry Division	CMP Code No.	Equipment
Textiles	206	Cotton ginning, delinting machinery.
	207	Sewing machines: Industrial.
	208	Textile machinery.
	240	Leather working machinery.
	249	Broom, brush, mop making machinery.
	598	Bag stitching machines.
Tool	146	Cranes and hoists; not contractors' elevating, contractors' towing, crawler tractor, motor truck mounted, mine and smelter types.
	350	Machine tools; nonportable: Power driven.
	354	Foging machines.
	355	Presses; hydraulic and mechanical: Metal working.
	356	Bending machines: Pipe, plate, roll, structural shapes.
	357	Rolling mill stands and equipment attached thereto.
	358	Shears, punches, nibblers: Power driven.
	359	Wire drawing machinery.
	363	Foundry machinery, equipment: Not electric melting furnaces.
	658	Physical property testing machines.
	658	Measuring machines: Metal.
	658	Electrical and mechanical testing equipment: Metallurgical.
Transportation	104	Brake actuating mechanisms, air: Railroad, electric railway; not foundation brake parts.
	514	Railroad and transit signal equipment.
	750	Locomotives; 20 tons or over: Not underground mine.
	751	Railroad cars.
	752	Railroad type industrial cars.
	753	Street cars.
	754	Buses: Motor.
	756	Trolley busses.

It will still be necessary to submit Import Recommendations for repair parts for equipment which is not listed above.

No. 522—*Current Export Bulletin No. 153*

"BLT" (Blanket) License (Purpose: To acquaint exporters with proposed procedures, commodities to be announced later).

A. GENERAL

The Foreign Economic Administration has developed a new procedure, which, through the use of the "BLT" (blanket) license, authorizes the exportation of certain commodities by the *individual exporter* to two or more specifically named *consignees* and *purchasers* located in a *designated* Latin American country. The purpose of this bulletin is to acquaint the exporter with the proposed plan. Commodities to be exported under the plan will be announced from time to time. Specific provisions as applied to the individual commodity will be given at the time of the announcement.

This procedure, which is of limited availability, is outlined below. It is to be considered as an alternative procedure to that of submitting individual export license applications.

Further information concerning this procedure may be obtained from the Requirements and Supply Branch, Bureau of Supplies, Foreign Economic Administration, Washington 25, D. C.

B. IMPORT RECOMMENDATIONS

The procedure is not applicable at present to those countries which require Import Recommendations for the commodity to be licensed under the "BLT" procedure.

C. Exporters, in applying for a "BLT" license should submit a Foreign Economic Administration License application and, where applicable, the appropriate WPB forms. In the space normally used to list purchasers, consignees and other parties of interest, the applicant should write: "See attached list of purchasers and consignees made a part of this application." (The list may be prepared in the form of the example below and one copy should be attached to each copy of the license application.)

On the license application in the upper part of the space used to name and describe the commodity, the following legend should be written:

"Application is hereby made to permit the applicant named above to export from the United States to the purchasers and consignees designated on the attached list the articles and materials described, in the quantity given, provided that the aggregate quantity of all such exports to the purchasers and consignees named therein does not exceed the total quantity for which the license is granted. This will certify that we have firm orders on hand from the purchasers and consignees listed at least equal to the quantity applied for on this license."

In the "quantity" column shall be shown the total quantity of commodity to be exported. In the "value" column shall be shown the aggregate value of the material to be exported. It is not necessary to show "gross weight" or "total cubic measurement."

D. AMENDMENTS

Amendments of "BLT" license may be made in accordance with the procedure established for amending individual licenses.

E. OTHER INFORMATION

"BLT" licenses are valid for a period of 12 months from the date of issuance, unless otherwise stated.

The holder of an approved "BLT" license shall show "BLT" symbol and the serial number of the license on his customs export declarations when making shipments under the license.

The holder of an approved "BLT" license may be required to submit periodic reports to the Foreign Economic Administration outlining performance under the license, subject to the approval of the Bureau of the Budget pursuant to the Federal Reports Act of 1942. However, the holder should not submit any reports on the "BLT" license unless officially notified to do so.

FOREIGN ECONOMIC ADMINISTRATION

BUREAU OF SUPPLIES

REQUIREMENTS AND SUPPLY BRANCH

Washington, D. C.

Purchasers and Consignees Authorized as Part of License No. BL_____

The Export License bearing the above number permits the applicant named therein to export from the United States to the purchasers and consignees stated herein the ar-

ticles and materials described, in the quantity given, provided that the aggregate quantity of all such exports to the consignees and purchasers named herein does not exceed the total quantity for which the license is granted.

(1) Purchasers in Foreign County:

Name: Address:

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(2) Consignees in Foreign Country, if different from purchasers:

Name: Address:

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(Not valid without official certification)

Quinine's Dual Role in This Hemisphere

(Continued from p. 7)

station at Glendale, Md. From there seedlings are being distributed to the other American republics to aid cinchona development.

As this notable experiment shows, plants can be grown successfully from seeds for distribution to nurseries and plantations. Several hundred thousand of the high-quality seedlings have been distributed. Among the recipients are Peru, Brazil, Mexico, Guatemala, Colombia, El Salvador, Nicaragua. Recently arrangements were made for the planting of about 100,000 of the seedlings by the Inter-American Institute of Agricultural Sciences at Turrialba, Costa Rica. The Institute plans to devote considerable attention to the improvement of cinchona, toward the objective of establishing the industry in Latin America.

Toward a Plantation Industry

Nurseries and experiment stations in Latin America are engaged in what undoubtedly is the most extensive attempt yet made to start a cinchona plantation industry in the Western Hemisphere. Spasmodic efforts to give the plantation industry a commercial footing in Latin America have been made before. Plantations were started years ago in Bolivia, Colombia, Ecuador, and Guatemala. More than 50 years ago President Justo Rufino Barrios of Guatemala planted thousands of seedlings on a plantation known as "El Porvenir" in northwest Guatemala. Here the cinchona trees, growing at high elevation, did exceedingly well. This seems to be the only place where cinchona adapted itself naturally to the environment. Seeds from the trees grew readily as they fell to the ground. But this plantation turned to the growing of coffee.

Now, however, the cinchona operations are being revived. "El Porvenir" is the largest cinchona plantation in Latin America, with prospect that it will supply a considerable part of the hemisphere's quinine needs. The plantation is being developed for larger production through the cooperation of Guatemala and the United States Foreign Economic Administration.

Meanwhile, immediate quinine needs are being met in part by increased collection of cinchona bark from wild trees on the slopes of the Andes, in the manner of cinchona-bark production in the heyday of the industry before the Eastern plantations got started.

Takes Time, Funds, Research

It takes time and money to organize a cinchona industry, just as it does to organize rubber growing on a commercial scale. Immediate wartime needs probably will be met mainly out of the increased collection of wild cinchona bark, supplemented by what can be obtained from the remains of old plantations, such as "El Porvenir." But the important fact is that an extraordinary opportunity has arisen to give the industry a fresh start. Moreover, inter-American cooperation now aids the development of cinchona in this hemisphere. The new agricultural experiment stations, organized in Central and South America through inter-American cooperation, along with the new Inter-American Institute of Agricultural Sciences, are participating in the work to establish cinchona in Latin America on durable foundations.

Science has learned much about cinchona, and its medical qualities, since the first package of bark was, according

Latin American Exchange Rates

NOTE.—Averages are actual selling rates for sight drafts on New York, in units of foreign currency, per dollar, with the following exception: Cuba—United States dollars to the peso. The peso of the Dominican Republic, the Guatemalan quetzal and the Panamanian balboa are linked to the dollar at 1 to 1; the Haitian gourde is fixed at 5 gourdes to 1 dollar.

Country	Unit quoted	Type of exchange	Average rate			Latest available quotation		
			1942 (annual)	1943 (annual)	Jan. 1944 (monthly)	Rate	Approximate equivalent in U. S. currency	Date
Argentina	Paper peso	Official A	3.73	3.73	3.73	3.73	$0.2681	Feb. 12, 1944
		Official B	4.23	4.23	4.23	4.23	.2364	Do.
		Bid	4.94	4.94	4.94	4.94	.2024	Do.
		Free market		4.06	3.99	3.99	.2506	Do.
Bolivia	Boliviano	Controlled	46.46	42.91	42.42	42.42	.0236	Feb. 22, 1944
		Curb	49.66	45.42	46.65	49.00	.0204	Do.
Brazil	Cruzeiro [1]	Official	16.50	16.50	16.50	16.50	.0606	Jan 31, 1944
		Free market	19.64	19.63	19.63	19.63	.0509	Do.
		Special free market	20.52	20.43	20.30	20.30	.0493	Do.
Chile	Peso	Official	19.37	19.37	19.37	19.37	.0516	Feb. 26, 1944
		Export draft	25.00	25.00	25.00	25.00	.0400	Do.
		Curb market	31.75	32.37	31.70	31.30	.0319	Do.
		Free	31.13	31.00	31.00	31.00	.0323	Do.
		Gold exchange	31.13	31.00	31.00	31.00	.0323	Do.
		Mining dollar	31.13	31.00	31.00	31.00	.0323	Do.
		Agricultural dollar	31.13	31.00	31.00	31.00	.0323	Do.
Colombia	do	Controlled	1.75	1.75	1.75	1.75	.5714	Feb. 19, 1944
		Bank of Republic	1.76	1.76	1.76	1.76	.5682	Do.
		Stabilization Fund	[3]	[3]	[3]	[3]	[3]	Do.
		Curb	1.77	1.76	1.75	1.75	.5714	Do.
Costa Rica	Colon	Uncontrolled	5.71	5.65	5.64	5.64	.1770	Jan. 31, 1944
		Controlled	5.62	5.62	5.62	5.62	.1779	Do.
Cuba	Peso	Free	1.00	1.00	1.00	1.00	1.0000	Jan. 29, 1944
Ecuador	Sucre	Central Bank (official)	14.39	14.10	14.10	14.10	.0709	Do.
Honduras	Lempira	Official	2.04	2.04	2.04	2.04	.4902	Jan. 31, 1944
Mexico	Peso	Free	4.85	4.85	4.85	4.85	.2062	Do.
Nicaragua	Cordoba	Official	5.00	5.00	5.00	5.00	.2000	Feb. 26, 1944
		Curb		5.16	5.28	5.30	.1887	Do.
Paraguay	Paper peso	Official	333.00	[4] 333.00	333.00	333.00	.0030	Nov. 7, 1943
	Guarani [5]	do		3.10	3.10	3.10	.3226	Feb. 29, 1944
Peru	Sol	Free	6.50	6.50	6.50	6.50	.1528	Feb. 26, 1944
Salvador	Colon	do	2.50	2.50	2.50	2.50	.4000	Jan. 31, 1944
Uruguay	Peso	Controlled	1.90	1.90	1.90	1.90	.5263	Feb. 26, 1944
		Free	1.90	1.90	1.90	1.90	.5263	Do.
Venezuela	Bolivar	Controlled	3.35	3.35	3.35	3.35	.2985	Feb. 15, 1944
		Free	3.45	3.35	3.35	3.35	.2985	Do.

[1] Under law of October 6, 1942, the cruzeiro became the unit of currency, replacing the milreis. Since November 1, 1942, exchange quotations have been in terms of cruzeiros and centavos to the dollar.
[2] For class 2 merchandise, 1.795; class 3, 1.87; class 4, 1.95.
[3] For class 2 merchandise, 1.765; class 3, 1.775; class 4, 1.785.
[4] Used until November 7, when the paper peso was replaced by the guarani.
[5] New currency unit instituted as of November 8, 1943.

NOTE.—Special rates apply to automotive equipment and agricultural machinery imported from the United States into Argentina.

to one historical account, sent to the physician who attended the family of the Spanish Viceroy in Peru, the Count of Chinchon. Cinchona bark yields several distinct alkaloids. Studies of these alkaloids have revealed much knowledge about their respective qualities and values in medicine. Natural quinine, moreover, now has competition of synthetic products from the chemical laboratories, just as rubber does. This competition probably will influence prices in the future. Synthetic products opportunely have helped supply demand for antimalarial drugs since the loss of the Netherlands Indies. But there is no apparent reason, any more than there is in rubber, to assume that the chemist entirely has outmoded nature or that there is nothing left for the plant scientist to do in improving cinchona.

Germination of cinchona seeds at the Maryland station, for instance, shows that cinchona can be grown readily from seeds. Ben Y. Morrison, of the United States Department of Agriculture, says that fresh cinchona seeds can be germinated abundantly in 11 to 20 days if sown on a surface of sifted sphagnum in a hothouse where moisture can be preserved and temperatures kept constant. After germination the seedlings can be transplanted to nursery beds and, finally, to fields; the seedlings often flower in 2 to 3 years, depending upon the variety and the altitude. The harvest, however, usually does not begin until after the trees have been in the fields 6 years.

Real Triumph Possible

And plenty of work remains to be done in the improvement of cinchona species. Plant breeders can work toward three main objectives: (1) bark which yields a higher percentage of quinine; (2) trees which mature quickly; and (3) trees which will produce a larger quantity of bark. When all three of these objectives are attained in one type of tree, then plant breeders will have scored a real triumph. Inasmuch as cinchona is native to the Americas, the Western Hemisphere is a logical place to try for these objectives. Analysis of the bark of cinchona trees found in Latin America shows a quinine content ranging from nothing to 17 percent. The average is around 3 percent, against about 7 percent for cinchona bark from Far Eastern plantations.

There are various species and types of cinchona trees, native to the Americas. Study and classification of these will aid the development of the cinchona industry in this hemisphere. Of the many alkaloids obtained from cinchona bark, quinine long has been the most important. But research indicates that other crystallizable alkaloids from the bark likewise may be found to be increasingly effective in the treatment of malaria. From the total of these alkaloids, an antimalarial drug known as totaquine was developed.

Goals to Aim At

This is significant for the future of the cinchona industry in Latin America. Cinchona bark from Latin America generally has comparatively high percentage content of alkaloids other than quinine. The Java plantation bark, on the other hand, has relatively high quinine content. Consequently, greater use of alkaloids other than quinine would favor the development of cinchona in the Western Hemisphere. Less refining is required in obtaining alkaloids other than quinine. This presumably would help lower the cost of antimalarial drugs. It also would give the plant breeder incentive to work for total alkaloid, rather than bark with high quinine content, as was done in the Far East.

Ordinarily an altitude of 3,500 to 7,000 feet is considered best for cinchona. These altitudes are the natural habitat of cinchona in South America. But there is at least one type of cinchona which grows at sea level. Cinchona, it seems, does not necessarily have to be restricted to the higher altitudes to yield the larger quinine content. This also points a goal for scientific research. Development of high-yielding cinchona for low levels would be welcome in the tropical Americas. The malaria menace exists chiefly in tropical lowlands. Quinine produced on the spot certainly would be handy for malaria-infested lowlands. Also, trees grow faster in the lowlands.

Already many devoted plant breeders and other specialists are working to establish cinchona in its native lands. These include Dr. Wilson Popenoe, director of the Pan American Agricultural School in Honduras; Atherton Lee, of the United Fruit Co.; William Pennock and Charles H. Cosse, of the Foreign Economic Administration; Jorge M. Benitez and Fritz Rosengarten, of Merck & Co.; and Lieut. Claude Hope, of the Foreign Economic Administration. Colonel Fischer and Mr. Morrison have had outstanding parts in bringing cinchona back to the New World for its wartime development.

New and Basic Uses

Scientific research, in addition, may find new uses for quinine. At present all the quinine available is being used as an antimalarial drug. But quinine also has found use in other diverse fields—for example, in hair tonic. This indicates that other uses might be found, especially if costs were lowered and supplies became more plentiful.

The most important use for quinine in this hemisphere, so far as one can see ahead, is as an anti-malarial drug in tropical and subtropical areas. That is the compelling reason why the Americas must assure a continued supply. That is the reason, too, why quinine should be available at low price. Agricultural workers of the other Americas generally have little cash income. They cannot afford to pay high prices for quinine. Abundant quinine, available to workers in tropical areas at low prices, could become one of the most beneficial contributions of American agriculture to the welfare of the American peoples. This makes the return of cinchona doubly welcome as a new crop for the tropical Americas.

New Books and Reports

★The following publications, added to the Department's research facilities, through the courtesy of the authors and publishers, are listed as a service to businessmen. *Please note:* The Department has no copies of private publications for distribution and cannot be responsible for their content. For private publications, write direct to the publishing agency given in each case.

Articles of Current Interest Appearing in the Department of State Bulletin March 11, 1944

Copies of this publication, which is issued weekly by the Department of State, may be obtained from the Superintendent of Documents, Government Printing Office, Washington, D. C., for the price of 10 cents each; subscription price $2.75 a year. The March 11 issue contains these articles:

THE UNITED STATES AND IRELAND:

United States Request for the Removal of Axis Diplomatic and Consular Representatives From Ireland.

Inability of United States to Sell Additional Merchant Ships to Ireland.

American Troops in the British Isles.

PETROLEUM QUESTIONS: PRELIMINARY DISCUSSIONS BY THE UNITED STATES AND THE UNITED KINGDOM.

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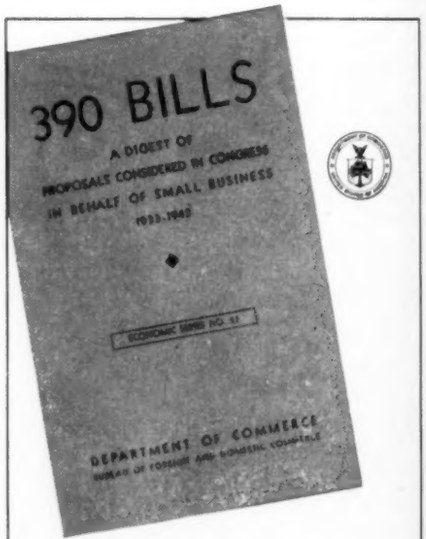

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Other Publications

ECONOMIC AND FINANCIAL COMMITTEES' REPORT TO THE COUNCIL ON THE WORK OF THE 1943 JOINT SESSION. League of Nations. 1944. 81 pp. Price, 50 cents. Reviews analyses of post-war economic problems now being made under the direction of the League of Nations services. Considers among others such questions as the conditions of successful post-war economic policy, post-war montetary policy, problems of foreign investment, and post-war international trade policy. Discusses also relation of the League services to the United Nations Relief and Rehabilitation Administration and to the Interim Commission on Food and Agriculture. Includes appendixes summarizing the principal conclusions of the 12 studies published thus far in the League's post-war series.

Available from: International Documents Service, Columbia University Press, 2930 Broadway, New York 27, N. Y.

THE U. S.-CANADIAN NORTHWEST: A DEMONSTRATION AREA FOR INTERNATIONAL POST-WAR PLANNING AND DEVELOPMENT. Benjamin H. Kizer. 1943. 87 pp. Price, $1. Separate sections discuss the following subjects: The project itself; the region; major problems: past, present, and emerging; past and present international collaboration; potential fields for collaboration; organization and objectives of the planning project. Includes appendix giving brief sketch of geography, resources, and economy of the North Pacific area; and several maps.

Available from: Princeton University Press, Princeton, N. J.

AUSTRALIA LOOKS TO THE FUTURE: A REPORT ON AUSTRALIAN THINKING ON WAR AND POST-WAR PROBLEMS. The Australian News and Information Bureau. 1944. 24 pp. Consists of excerpts of speeches by Australian Prime Minister John Curtin and External Affairs Minister Herbert V. Evatt, comprising Australia's present attitude and policy to war and post-war questions.

Available from: The Australian News and Information Bureau, 610 Fifth Avenue, New York 20, N. Y.

THE FUTURE POPULATION OF EUROPE AND THE SOVIET UNION: POPULATION PROJECTIONS, 1940–1970. Dr. Frank Notestein and others. 1944. 315 pp. League of Nations Publication II. A. 2. Price, $2.75. Presents population projections representing the populations that would arise in the undisturbed evolution of past demographic trends, intended to be of practical value to governments in the determination of their policies and in their plans for rebuilding the world after the war. Subjects discussed include the pattern of population change in Europe, the demographic effects of war and their relation to population projections, changing age structures, and manpower. Includes technical appendixes presenting detailed methodological notes, a history of the development of population estimates, and a selected bibliography on population projections. Contains more than 50 charts and maps, and many tables.

Available from: International Documents Service, Columbia University Press, 2960 Broadway, New York 27, N. Y.

Golden Rule of World Economics

(Continued from p. 3)

Although this country normally exports only about 9 percent of its total production, many segments of our economy would be seriously affected if this avenue for sales abroad were to be closed. Moreover, these exports constitute from 12 to 15 percent of total world exports and represent the most important single factor in the total volume of international trade, upon the maintenance of which many countries are dependent for substantial parts of their national income. Our imports, which represent possibly 10 percent of the total world imports, are an indispensable source of buying power for many countries whose standard of living is seriously affected whenever their participation in total world trade is materially diminished. It is only by maintaining these streams of trade that conditions of economic health can be maintained at both the source and the termination of international transactions.

The level of domestic business activity in this country affected the volume of our imports of foreign goods because of our dependence upon the resources of the outside world. Since dollars made available through our purchases of these materials constitute the primary source of buying power in foreign countries for our own goods, it is apparent that the United States directly influences the level of activity and prosperity elsewhere. This country is clearly a primary factor in the maintenance of world stability which is always essential to peace. The relationship between domestic business activity and foreign trade as a whole reflects the interdependence of the various elements which constitute a well-functioning world economy.

Different Stages in Process

Winning the war and winning the peace are simply different stages in the process of seeking an objective. During one stage we hurl the products of modern industry at each other for purposes of destruction; during the other we use the same materials and similar processes but utilize the final product for human betterment and for a happier life.

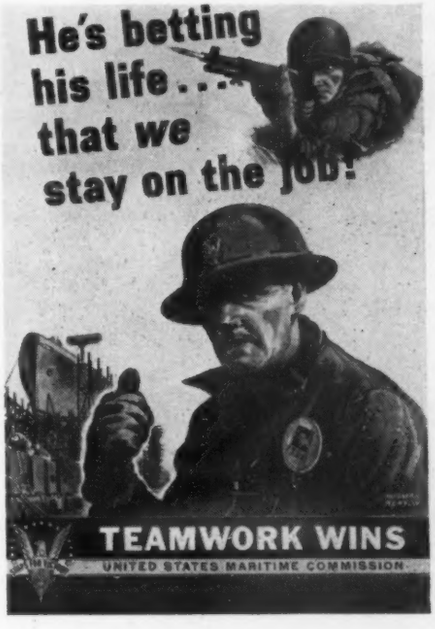
The relationship between our national economy and that of the world community is one of growing interdependence, and we cannot afford to ignore its implications. If developments in communications and transportation have tended to be more rapid than the reorientation in our political and economic thinking we can hardly hope to retard the former in order to justify our inertness in the latter. Time and space continue to shrink, in the future perhaps at an accelerated rate.

Synchronize Programs

The economic phases of international economic collaboration converge on the common objective of producing and distributing the maximum volume of goods and services. Economic problems must not again be subjected to non-economic, legalistic, or emotional solutions. In the modern dynamic world the approach to economic problems must be positive, not negative. Production and distribution must be orderly, prices of primary products must be stable, exchanges must be stable, and international exchange and investment must supplement each other if world prosperity is to be achieved and maintained.

More than half a century ago Herbert Spencer compared the world to a living organism in which the circulation of goods is as essential to existence as the circulation of blood is to human life. As we come to a clearer understanding of this analogy it is perhaps our paramount duty to synchronize national economic programs through international cooperation so that the interchange of goods and services among nations may assure mutual benefits. The alternative is economic warfare under the guise of another quarter-century of "peace".

A telegraph and telephone cable has been laid under the Danube River between Ruse, Bulgaria, and Giurgiu, Rumania, says the Nazi press.



Trade-Mark Applications

***Brazil.*—The following applications for trade-mark registration were published in the Diario Oficial (Official Gazette), of Brazil. Opposition must be filed within 60 days from the date of publication:**

Trade mark	Class number and product	Date of publication
		1944
Toledo	No. 46—Candles, soap, and other cleansing materials.	Feb. 18
Uptown	No. 8—Imported watches and clocks.	Do.
Atlanta	No. 55—Floor and furniture polish.	Do.
Saratoga	No. 36—Shoes and wearing apparel.	Do.
Holywood	No. 36—Shoes	Do.
Penicidil	No. 3.—Pharmaceutical preparations.	Feb. 25
Eupenicil	No. 3—Pharmaceutical preparations.	Do.
Sheridan	No. 48—Perfumery	Do.
Sparta	No. 17—Office supplies.	Do.
Rubi	No. 46—Soaps	Do.
Sefir	Nos. 2, 46, 55—Insecticides, soap preparations, floor and furniture polish.	Do.
Zenith	Nos. 2, 46, 55—Insecticides, soap preparations, floor and furniture polish.	Do.
Estrela Azul (Blue star).	No. 2—Insecticides	Do.
Adrenocalcio	No. 3—Chemical products for medicinal preparation.	Do.
Dinax	No. 8—Fire extinguishers.	Do.
Arrow with CCC enclosed.	No. 35—Leather belts	Feb. 28
Oleo De Linhaça "Linol" Puro.	No. 4—Linseed oil	Do.
Brake	No. 39—Rubber goods for automobile accessories.	Do.

***El Salvador.*—The following applications for trade-mark registration were published in the Diaro Official, San Salvador. Opposition must be filed within 90 days from the date of publication:**

Trade-mark	Commodity	Date of publication
		1944
Elegantes	Cigarettes	Feb. 3
Sulfamerazine and sulfalidins.	Pharmaceutical, medicinal, and chemical products.	Feb. 10
La Perla (Pure Cream) (Head of a Cow).	Dairy products	Feb. 11
Bruneldina, Beldatina, Andelelia, Aralen, Niphanoid, Viocoplex.	Surgical instruments, chemical, biologic, medicinal, pharmaceutical preparations; drugs, soap, etc.	Do.
Ladogal and Zoarim	do	Do.
Selby	Leather, rubber, and other material shoes.	Do.
Agfa	Photographic cameras, films, chemical products, etc.	Do.
Infundin	Medicinal product	Feb. 12
Skiodan, Balsine, Astaril, Diodrast, Barsalin, Talvit, Avilena, Ardevilla, Arcocel.	Chemical, biologic, medicinal, pharmaceutical products; drugs, soap, cosmetics, etc.	Do.
Blackbird	Cordage products	Do.
Kissproof	Toiletries, cosmetics, face-powder, creams, etc.	Do.
Canilin, Carmilen, Esminia, Cameldila, Madrolina, Romisan, Ormunel, Risela, Jazmalin, Soliban, Zalima, Sarmin, Valdesina, Ruisalan, Recindal.	Chemical, biologic, medicinal, pharmaceutical products; drugs; soap, cosmetics, etc.	Feb. 14
(Figure of a hand holding paper).	Writing-paper, ledgers, bond, envelopes, etc.	Do.
Vitaminets	Medicinal and pharmaceutical preparations.	Do.
Swan	All kinds of soap	Do.
S. W. P. (over the earth).	Ceruse, chemical products, paints, enamels, varnishes, inks, fertilizer, liquid soaps, insecticides, materials for posters; drawing-paper, etc.	Do.
Hyster	Elevators, cranes, carts, chains, pulleys, etc., repair shops.	Do.
Epi Vita	Vitamins, drugs, chemical, medicinal, pharmaceutical, preparations.	Do.
Omni-Beta	do	Do.
Polium	do	Do.
Orsivia		
Portelia		
Mary Baker Eddy	Printed books, and magazines, Bible extracts.	Feb. 17
Treadlite	Linoleum, cork mats, etc.	Do.
E. A. I. A	Airplanes, and transportation services.	Do.
Sulfathiadox	Chemical, medicinal, and pharmaceutical preparations, ointments, toiletries, etc.	Do.
Estinyl	Chemical, medicinal, and pharmaceutical preparations, drugs.	Do.
Saraka		
Sulamid		
Pranone		
Priodax		
Ceglin	Chemical compounds, to recover fibers and paper.	Do.
El Nachete	Flour	Feb. 19
Yah-Rhus	Perfumes, lotions, creams, face-powder, etc.	Do.
E. R. T	Veterinary vaccines, biological, pharmaceutical, and chemical products.	Do.
Golden Cup	Flour	Feb. 21

***Panama.*—The following applications for trade-mark registrations were published in the Gaceta Oficial, on the dates noted. Opposition must be filed within 90 days from the date of publication:**

Trade-mark	Commodity	Date of publication
		1944
Gardineer	Visible filing equipment	Feb. 17
Ron Victoria	Rum	Do.
V		
Sloe Gin	Sloe gin	Do.
Moscatel Fino	Muscatel	Do.
Oporto Superior	Port wine	Do.
Vermouth de Celini Tipo Torino.	Vermouth	Do.
White Caballito	Holland gin	Do.
Pepermint	Peppermint	Do.
Celebrated Cocktail Bitter.	Cocktail bitter	Do.
Royal Holland Gin	Gin	Do.
Ron La Gran	Rum	Do.
Miner's	Cosmetics	Do.
Commando	Watches of all types	Do.
Seco Apreton	Native alcoholic beverage.	Do.
Anis Esmeralda	Anis	Do.
Fada	Radios and equipment	Do.
RCA	Electric vacuum cleaners, facsimile transmitters and receivers, television transmitters and receivers, radio telephone transmitters and receivers, radio direction finders and parts for same.	*1944* Feb. 17
RCA	Electric washing and ironing machines and parts for same.	Do.
Purity	Husked oats	Do.
Thew	Power-driven cranes, power-driven shovels, power-driven excavators.	Feb. 8
Metrazol	Medicinal preparations	Do.
Theocalcin	do	Do.
Drawing of Samson and the Lion.	Ropes, cords, etc	Do.
Antisette	Anisette	Do.
Drawingof a cord	Braided cotton cord for windows, etc.	Do.
Noche Buena	Alcoholic beverages especially "habanero".	Do.
Manasite	Detonators	Do.
Atlas	High explosives	Do.
Mary Baker Eddy (Facsimile of signature)	Books and publications	Do.
Hamilton	Watches, watch mechanisms, and parts for same.	Do.
Old Rum—Estilo Jamaica	Rum	Dol
Ron Viejo Selecto	Rum	Do.
Tep	Products used in medicine, pharmacy, hygiene, perfumery, etc.	Do.
Mardaran	do	Do.
Onoton	do	Do.
Wittone—Use Your Wits.	Laxative tonic	Do.
Gold Label	Rum	Do.
Siglo XX Cognac	Cognac	Do.
RCA	Refrigerators, parts and accessories for same.	Feb. 19
Skat	Soap of a pasty consistency.	Do.
Crillon	Alcoholic or non-alcoholic beverages, especially wines.	Do.
Derby	do	Do.
Don Eusebio	do	Do.

***Guatemala.*—The following applications for trade-mark registration were published in the Diario Oficial, of Guatemala. Opposition must be filed within 40 days following the date of publication:**

Trade-mark	Class number and product	Date of publication
		1944
Timken	No. 14—Steel products	Feb. 26
E-Z-Flo	No. 23—Razors and razor blades.	Mar. 6
Clix	No. 23—Razors and razor blades.	Do.
Camouflage	No. 23—Safety razor blades.	Do.
Sierra	No. 6—Perfumery, toilet preparations, chemical, medicinal, and pharmaceutical preparations.	Mar. 7
McGregor	No. 39—Men's and boys' sweaters and sport jackets.	Do.
Drawing of a milk bottle.	No. 45—Bottles	Do.
Cadura	No. 6—Chemical, medicinal, and pharmaceutical preparations.	Mar. 8
Round seal containing the words: Uniformidad, Pureza, Aficacia y Seguridad.	No. 6—Chemical, medicinal, and pharmaceutical preparations, etc.	Do.

Production of smelter copper in Spain in the first 6 months of 1943 is reported by the League of Nations at 16,200 metric tons.

News by COUNTRIES

(Continued from p. 23)

MINING

Post-war interest in Venezuela's mineral resources was evidenced by a recent exploration trip of American technicians to verify the existence of bauxite ore in eastern Venezuela. The production of gold, however, declined in 1943, as compared with the previous year, principally owing to the scarcity of mining equipment and materials. A large proportion of the workers reportedly were laid off by the more important gold-mining enterprises.

Reports that United States capital was interested in the development of Venezuelan diamond fields aroused favorable comment in the local press. This was accompanied by a renewed campaign for the construction of roads to the diamond-producing region, which at present is almost inaccessible except by airplane or by muleback.

TRANSPORT

Considerable interest was aroused by the announcement that a Canadian shipping firm, Saguenay Terminals, Ltd., planned to institute a shipping service from Canada to Venezuela, via West Coast ports of the United States. It was anticipated that the inauguration of this service would lead to an expansion of Venezuelan imports from Canada, principally of wheat flour, paper, and lumber, and of Venezuelan exports of petroleum to Canada. Coastwise and river shipping have been sharply expanded because of the restrictions on highway transportation resulting from the shortages of tires, trucks, and replacement parts.

CONSTRUCTION

Building activity in Caracas and the Federal District in 1943 reached the highest level of the past 15 years or more, reflecting the demands for housing accommodations and the availability of large amounts of surplus funds for investment. Construction projects during the last half of the year included a downtown office structure as well as several large apartment buildings.

Tariffs and Trade Controls

Industrial Machinery and Raw Materials of Metal: Import Duties Reduced.—The Venezuelan import duties on a wide range of crude, semifabricated, and manufactured articles of metal, industrial machinery, motor trucks, and various other products were sharply reduced, in some instances to a small fraction of the former rates, by a decree published in the Gaceta Oficial and effective February 18, 1944. The measure was designed to reduce the cost of various articles of common consumption as well as to stimulate the industrial development of Venezuela.

The new rates of duty on the commodities affected, in bolivares per kilogram, gross weight, with former rates in parentheses, are as follows:

Copper, bronze, and brass: Crude, scrap, or for soldering, 0.001 (0.10); in bars, ribbons, and shavings, 0.05 (0.30); sheets (of bronze or brass), 0.05 (0.30); bare wire, cord, and cable, 0.05 (0.26); covered wire, cord, and cable, 0.07 (0.28); pipes, joints, connections, and taps, 0.20 (1); wire screening with a mesh of more than 3 millimeters on a side, 0.20 (0.75); and tableware, 0.10 (2).

Iron and steel: Crude, for casting, and scrap 0.001 (0.01 to 0.07); bars, rods, and plates not specified, 0.05 (0.065); sheets and strips, 0.005 (0.10); corrugated sheets, 0.20 (0.40); uncoated sheets, 0.001 (0.02); galvanized sheets, 0.10 (0.20); tin plate, 0.001 (0.08); fabricated sheets for assembly into tanks for storing liquids, 0.005 (new item); pipes, tubes, joints, connections, and taps, 0.005 (varying); bare wire, 0.005 (0.16); covered wire, 0.05 (0.20); bare cable and cord, 0.005 (0.40); covered cable and cord, 0.05 (0.50); porcelain-coated wares, not specified, 0.005 (0.24); enameled kitchenware, irons, and portable stoves, 0.40 (1.10); wire tacks, 0.45 (0.60); dies and balls, 0.005 (0.16); screws, nuts, rivets, and washers, 0.005 (varying); carboys, 0.005 (0.16); anchors, grapnels, cordage, and chains, for boats, 0.005 (0.16); soldering rods, 0.005 (0.16); tableware, 0.10 (0.40); fishhooks, 0.05 (0.16); and chromium or nickel-plated tableware, 0.10 (2).

Other metals and manufactures: Aluminum, crude or shavings, 0.001 (0.30); aluminum powder, 0.10 (0.16); aluminum cooking utensils, 0.20 (0.30); antimony, unmanufactured, 0.001 (0.16); tin, unmanufactured or for soldering, 0.001 (0.16); nickel, unmanufactured, 0.001 (0.20); lead, unmanufactured or for soldering, 0.01 (0.10); lead pipes, tubes, connections, and taps, 0.005 (0.20); lead sheets, 0.005 (0.40); sinz, unmanufactured, 0.001 (0.01); zinc, semifabricated, 0.20 (0.40); tableware of German silver and similar alloys, 0.20 (3); and safety helmets and caps for workmen, 0.40 (2).

Vehicles and trucks: Truck chassis, without cab, assembled, 0.005 (0.09); truck chassis, without cab, not assembled (subject to prior authorization by the Ministry of Finance), 0.001 (0.09); truck chassis, with cab, partially assembled, 0.001 (0.10); trucks equipped as fire engines, 0.001 (0.08); motorcycles, 0.10 (0.50); railroad locomotives and rolling stock, duty-free (0.075 or 0.08); bicycles, 0.10 (1.20); pedal-operated vehicles, not specified, 0.05 (1.20); and wheelbarrows and handcarts, 0.05 (0.10).

Machinery and apparatus: Tools and instruments for arts and craft, not specified, 0.001 (0.10 to 0.40); sewing machines, 0.001 (0.20); typewriters and accessories therefor, 0.10 (1); motors, 0.001 (0.08); spark plugs for motors, 0.001 (1.20); steam boilers, 0.001 (0.08); hydraulic pumps and cylinders therefor, 0.001 (0.08); axles for machines, 0.001 (0.10); machine packing, 0.001 (1); machines and apparatus weighing not more than 15 kilograms, 0.50 (0.60 to 2); machines and apparatus, weighing more than 15 kilograms, 0.01 (0.10 to 0.60); spare parts and accessories not specified for machines and apparatus, 0.05 (0.10 to 2); machines, apparatus, and tools, accessories and spare parts for drilling wells, 0.005 (duty-free).

International Food Sample Fair in Switzerland?

The Swiss daily "Bund" reports that a representative mixed committee has been formed for the purpose of working out definite plans for the creation of an international food sample fair in Geneva after the war. This project is being actively supported by the Municipality and the State Government of Geneva.

Though the planned Geneva Fair would be specialized as to the nature of its exhibits—probably because of the general character of the national sample fairs of Lausanne and Basel—this trend toward an "internationalization" of Swiss sample fairs is, however, to be noted. It has been pointed out in the feature article "International Sample Fairs" in FOREIGN COMMERCE WEEKLY of February 19, 1944, that the Swiss sample fairs have, so far, consciously kept their character as *national* fairs and have not admitted foreign exhibitors.

According to reliable sources, the question of transforming the national Swiss sample fairs of Lausanne and Basel into international sample fairs, devoted to the promotion of both exports and imports, is being seriously considered for after the war.

Haiti Meeting Lumber Needs From Home Forests

Haiti is overcoming its wartime loss of lumber imports by a pine-forest exploitation program which is producing millions of board feet for wartime needs and at the same time safeguarding future supply by keeping cutting on a sustained-yield basis.

Chief producer of lumber in Haiti is the Société Haitiano-Americaine de Developpement Agricole, better known as SHADA, from the initials of its French name. SHADA, a Haitian organization supported by credits from the Export-Import Bank of Washington and technical aid from the United States, has 150,000 acres of Haitian Government timber land under its management.

SHADA is fulfilling the immediate objective of supplying Haiti's war needs for lumber by pushing its annual production from 3,000,000 board feet in 1943 to 5,000,000 board feet in 1944.

At the same time SHADA is employing modern methods of silviculture, such as cutting on a sustained-yield basis, so that Haiti's hardpine forests will continue to supply lumber.

The island of Hispaniola, including Haiti and the Dominican Republic, has large forest areas of pinus occidentalis. This is a near relative of the slash pine of the southern United States, and has the qualities of slash pine, according to tests at the laboratory of Duke University. Tests for the production of naval stores (turpentine and resin) are being conducted by SHADA.

The pine forests are in the high mountains, a mile above the sea. Haiti's forests lie in two mountain areas of the north and south, against the Dominican border. There, in the eastern reaches of the Massif du Nord and the Massif de la Selle, are the 150,000 acres of timber that the development corporation is managing for the Haitian Government.

Fisheries of South America

(Continued from p. 15)

pounds annually. Only four species are canned: corvina, corvina negra, pescadella, and merluza. There is no shortage of tin plate at present, in consequence of the cooperation of the United States Government. All canned fish is consumed in Uruguay.

Production of cured fish is approximately 300,000 to 325,000 pounds annually. The *consumption* of cured fish is about 10 times as great, the balance being derived from imports. Neither the S.O.Y.P. nor private enterprise is equipped to produce large qquantities of cured fish.

Uruguay's Imports Drop

During the period 1937–40, Uruguay's annual net imports were 1,733,000 pounds, but in the next 2 years net imports are estimated as follows: 1941, 1,318,000 pounds; 1942, 600,000 pounds. Imports of cured fish decreased considerably—only 607,000 pounds were imported in 1941 and 329,000 in 1942, compared with an annual average of 1,081,000 pounds. Canned-fish imports were reduced to less than half in 1942. At the same time exports of fish were less than 20,000 pounds during the years 1941 and 1942.

The largest single import item is dried codfish, accounting for 55 percent of all fish imports. Next in importance are canned sardines and anchovies, with 23 and 12 percent, respectively. The remaining 10 percent consists of other dried and salted fish, canned salmon, oysters and shrimp, and smoked herring.

In pre-war years, Norway supplied about half of Uruguay's fish imports. Fairly large quantities were imported from the United Kingdom, Spain, and Portugal. In 1941 and 1942 Uruguay was importing most of its sardines from the United States and cured fish from Argentina, Canada, and Iceland. Uruguay's exports consist of assorted fresh fish, all of which has been going to Argentina.

Fish is not an essential item of the Uruguayan diet, primarily because of the large consumption of meat. The estimated per capita consumption of fish is 2.5 pounds, compared with a per capita meat consumption of 122.8 pounds. This is a relatively small amount, considering the availability of the product.

Although the first governmental law regarding fishing was promulgated in 1900, little was accomplished until 1911 when S. O. Y. P. was founded. Its present name, Servicio Oceanográfico y de Pesca, was given it in 1933. Its function is to supervise the exploitation of all fish resources. In March 1943 a draft was prepared by S. O. Y. P. suggesting the establishment of a National Fishing Institute, under the Ministry of Industries and Labor. This new organization is intended to have wide power in expanding the fishing industry, including industrialization and development of the domestic market.

VENEZUELA

The coast line of Venezuela extends for a distance of 1,750 miles along the Caribbean Sea. Venezuela shows the greatest promise in the development of large-scale fisheries because of the abundance of fish along its coast, and the proximity to substantial export markets. According to the U. S. Fishery Mission to the Caribbean in 1942, about 20 percent of the population of Venezuela (750,000 people) live from the fish in the sea, rivers, and lakes. This fact shows extensive utilization of fish resources, but, with the bulk of Venezuela's population of 3,500,000 living on or near the coast, it does not indicate over-exploitation of the resources.

Venezuelan fishing is concentrated in several major areas: Lake Maracaibo in western Venezuela; the Paraguano peninsula; the La Guaira area north of Caracas; and the triangular Cariaco-Isla Margarita-Carupano area, which produces the largest and most diversified group of fishery products in Venezuela. Most of the coastal towns are well supplied with fresh fish, except for the La Guaira-Caracas area where distances are too great for transportation of fresh fish to many of the populated areas. Population centers not directly on the coast receive meager supplies of fresh fish.

The Venezuelan Ministry of Development describes the fishery resources of its oceanic waters as being far in excess of present uses. Extensive resources are similarly described in the Gulf of Venezuela and Lake Maracaibo. In addition to its coastal waters, Venezuela is traversed by many rivers, among them the Orinoco, one of the largest streams in South America; the Rio Meta, Rio Apura, Rio Portuguesa, and other tributaries of the Orinoco. Besides Lake Maracaibo, there are also many lagoons and lakes, the largest of which is Lake Valencia.

The fish catch of Venezuela is not known. No complete record has been kept of the catch, although attempts to establish facilities for keeping such records are currently being made. The U. S. Fishery Mission at first estimated the annual catch at about 55,000,000 pounds. After reviewing the data it collected, the Mission revised its estimate to 100,000,000 pounds. This would place Venezuela closely behind Brazil and Argentina, leading in the fisheries of South America. Among the more important species caught in Venezuelan waters are: Spanish mackerel, tuna, red snapper, grouper, bluefish, sawfish, sardines, mullet, herring, shrimp, shark, and many others.

Fishermen and Fishing Craft

Most of the fish are brought in by fishermen operating on a small scale. Naturally, such operations do not tax the fishery resources anywhere along Venezuela's coast. They are confined in location and intensity by the scarcity of population, the lack of mobility in fishing craft and transportation, and the poverty of the fishermen. Fishing developed in Venezuela as a "poor man's profession," and as such it exists to this day. The U. S. Fishery Mission observed that Venezuelan fishermen are capable, hard-working, and skilled in the use of gear employed. Their boats are well-built, some of them having been motorized.

Canning Companies and Operations

Venezuela's fish-canning industry is composed of four companies, one of which has two canning plants—or a total of five canneries in the country. Three are located at Cumana, in the State of Sucre, and two at Porlamar on the island of Margarita. The first cannery was that of the Asociación de Pescadores de Margarita, which began production in 1939. Others are: Conservas Cubagua, and Productos Mar, the latter having two canneries. These companies were established partly by financial aid from the Government, partly because of war restrictions on the foreign supply of canned fish.

Major species canned are sardines, Spanish mackerel, bluefish, tuna, and herring. The 1941 production was 3,600,000 pounds. Production in 1942 was 3,211,000 pounds, a decrease of nearly 400,000 pounds because the Porlamar plant of Productos Mar was shut down in consequence of a lack of cans and certain operational difficulties. It resumed production in March 1943. During the first 6 months of 1943, a total of 6,943,669 cans were produced—which indicates an annual production of 5,200,000 pounds. A recent estimate, however, runs as high as 12,700,000 pounds, due chiefly to the new plants of Conservas Cubagua and Productos Mar, which were scheduled to begin operations in the latter part of 1943.

Venezuelan canning plants are located in modern buildings. The machinery in use is of Norwegian, Danish, German, and United States manufacture. About 600 persons were employed regularly during 1942. Production never reached capacity because of difficulties in obtaining cans and raw materials.

Annual capacity, provided an adequate amount of cans and minor equipment are supplied, is estimated at 57,400,000 cans (or about 21,500,000 pounds). Of this total, Venezuelan canneries calculate that from 12,000,000 to 18,000,000 pounds could be used as exportable surplus.

Salting and drying of fish is an important phase of the Venezuelan fish industry. In 1940, the Servicio de Pesquería listed 63 varieties of fish which are dry-salted. The total recorded production for that year is 13,732,400 pounds. Estimates for 1941 and 1942 are 20,000,000 and 25,000,000 pounds, respectively. Salting is done in the fishing communities, using the surplus not salable for fresh. Cold storage and ice-making facilities are few and limited. Venezuelan salt fish are poorly prepared and do not come up to established standards in international salt-fish trade; consequently little is used outside Venezuela.

Sharp Shifts in Venezuelan Trade

Prior to 1941, Venezuela's net imports of fish were approximately 9,000,000 pounds annually. In 1941 a sharp decline is recorded, due to expansion of the fish industry and difficulties in obtaining shipments from overseas. Only 2,763,000 pounds were imported in 1941, or 31 percent of the 1938–40 average. The outstanding import item is canned sardines, which accounts for 88 percent of all fish imports. The bulk of it came from the United States. The remainder of Venezuelan fish imports consist of canned salmon and tuna, and dried cod and other dried-salted fish. Large quantities were also imported before the war from Spain, Portugal, the Netherlands, France, and Belgium. In 1940 and 1941, the United States was still the leading source of Venezuela's fish imports, while fairly large imports continued to arrive from Spain, Portugal, and Canada.

Exports of fish from Venezuela were negligible before 1941, and only 239,000 pounds were exported in that year. Almost all of the country's exports consisted of fresh fish and some salted fish. Small quantities were shipped to the United States, while the remainder went to the Netherlands West Indies. In 1942 Venezuela began to export canned fish. During 1942 and the first 3 months of 1943, a total of 1,600,100 cans (approximately 600,000 pounds) were exported. Late figures show that in the second quarter of 1943 (April to June) 1,050,200 cans (394,000 pounds) were exported to Curacao, Aruba, Trinidad, and the Guianas.

Since Venezuela's productive capacity greatly exceeds local consumption, the problem is not the availability of an exportable surplus, but finding substantial export markets. Possibilities for trade expansion exist also in the case of cured fish, if these products could be improved and standardized. The largest and most accessible market is the Caribbean area, which normally imports about 125,000,000 pounds of salted and pickled fish annually. Possibilities exist also for large exportable surpluses of fresh fish. Factors hindering the development of this phase of the industry are the lack of quick-freezing and cold-storage facilities and of refrigeration boats.

Fish consumption in Venezuela, for the period 1938–41, is 16.4 pounds per capita. In 1941, as a result of smaller imports, the per capita consumption is slightly above 15 pounds. This coincides with the findings of the U. S. Fishery Mission, which estimates per capita consumption at 16⅔ pounds. The Mission regards *actual* consumption as probably being higher, since throughout the country fish is considered an important element of the diet. Much of the difficulty in securing wider consumption of fresh fish is due to the lack of handling facilities. Dry-salted and canned fish are supplied in abundance throughout the country, and are regular articles of the diet. Until recently, the entire output of the canneries was consumed locally. At present, the domestic market is estimated to consume about 1,000,000 cans of fish monthly, or about 4,500,000 pounds annually.

Governmental Stimulus

The Venezuelan Government is actively interested in developing the fishing industry and improving the lot of its fishermen. The canning industry was established almost wholly through Government assistance. The Government also encourages more aggressive fishing and enlargement of fields of operation in order to increase the catch. For the past decade, experiments have been carried on with stocking fresh-water fish, such as black bass, carp, catfish, perch, and others, in Lake Valencia.

Venezuelan Government supervision is thus of a promotional nature, rather than control. The Government regards fishing as vital to the economy of the country, and seeks to make Venezuela one of the great fish-producing nations. This development has been hampered by shortages of cans, twine, hooks, wire, and other basic supplies, as well as a lack of organization of supply, distribution, and marketing of fish products.

BRITISH GUIANA

The coast line of British Guiana extends for 270 miles along the Atlantic. The country has several large rivers such as the Essequibo, Demerara, Berbice, and Courantyne, and a number of smaller rivers. The Guianas are a part of the rich zoogeographical region of the Amazon, and the fish fauna of British Guiana are therefore similar to those of Brazil. The area around Morawhanna, near the Venezuelan border, is reputed to have the best in-shore fishing. It produces much more than the local population can consume, and consequently makes weekly shipments by steamer to Georgetown, capital of the Colony. Other areas are: the mouth of the Essequibo River; Georgetown, at the mouth of the Demerara River; and New Amsterdam, at the mouth of the Berbice River.

The annual fish catch of British Guiana is estimated at between 4,250,000 and 4,500,000 pounds. Of the total, about 3,000,000 pounds are landed at Georgetown, and about 100,000 pounds at New Amsterdam. The remainder is landed at various points along the coast. Major species caught may be divided into several categories: deep sea—snappers and groupers; coastal and estuarine—mullets, weakfish (butterfish), tarpons, catfish, and others; fresh water—pirarucú, cyprinoids, sunfish, characins, and catfish. Offshore waters abound in pelagic fisheries—that is, comprising fish that live a floating existence near the surface, such as mackerel, tuna, albacora, kingfish, bonito, and others.

A total of 692 fishermen are normally engaged in commercial fishing in British Guiana. They operate from five schooners, one sloop, and 378 small craft (none with motors). The fishing gear used is of local character and includes pin seines, Chinese seines, shrimp nets, cadells, and hand lines. Wieting & Richter, a local firm located at Georgetown, owns the six larger vessels. The small fishing craft are owned by the fishermen themselves. More than half of the colony's fishermen and craft (356 fishermen and 151 craft) operate along the east coast of Demerara, near Georgetown.

British Guiana has no fish canneries and no facilities for producing cured fish, though some attention has been directed lately to dry-salting. Plans for a dry-salting project were in progress at the end of 1942, but no production had been reported at that time.

British Guiana does not export any fish. Its annual imports are about 5,000,000 pounds, but in 1942 imports declined to 3,629,000 pounds. Cured fish account for 87 percent of all fish imports. Major import items are dried pollock and pickled mackerel and salmon. In prewar years, fish were imported chiefly from Canada, the United Kingdom, Newfoundland, and the United States. In 1941 and the first half of 1942 Canada continued to supply British Guiana with the bulk of its fish imports, while Newfoundland and the United States continued to send fairly large quantities.

The fishing industry of British Guiana plays a vital part in the economy of the country; consequently the consumption of fish there is among the highest in South America. The inhabitants of the Colony, approximately 350,000 in number, consume more than 9,000,000 pounds of fish annually, or 26.4 pounds per capita. Because of the loss of important fish imports during the war, the local fishing industry is straining itself to increase the Colony's food supply. It needs gear to replace the now-deteriorating gear, and it also needs tackle. In addition, establishment of a better distributive system and development of sea and rail transportation would stimulate greater production and consumption.

FRENCH GUIANA

The coast line of French Guiana extends for approximately 200 miles along the Atlantic. The fishing areas are centered at Cayenne, capital of the Colony; Iracoubo, northwest of Cayenne; and St. Laurent, at the mouth of the Marora River. Among the more important rivers are the Marora, Mana,

Sinnamary, and Oyapock. The population is estimated at 31,000 concentrated along the coast.

The annual catch in recent years has been estimated at 1,792,000 pounds by the Colonial Bureau of Forests and Fisheries at Cayenne. The same source gives the average daily catch as 2,200 kilograms (approximately 4,900 pounds), divided as follows: Cayenne, 1,000 kilograms (45 percent of total); St. Laurent, 300 kilograms (14 percent); Iracoubo, 200 kilograms (9 percent), and the remainder in other areas.

There is no production of canned or cured fish.

French Guiana does not export any fish. Its imports consist only of cured fish (principally dried cod). Official trade statistics before 1942 do not show any canned-fish imports. In 1942, however, 41,000 pounds of canned fish were imported, most of it from Brazil and the United States. Total annual fish imports before 1942 averaged 419.000 pounds, while in 1942 only 318,000 pounds were imported, a decline of about 25 percent. Before the war, nearly all fish imports came from France. In 1942, the main source was the United States (83 percent), the rest being supplied by Brazil (9 percent) and Canada (8 percent).

Because of its small population and proportionately large imports and large catch, French Guiana has the highest per capita fish consumption in South America. Its annual consumption is 1,496,000 pounds, on an edible basis, accounting for a per capita consumption of 48.3 pounds.

In consequence of smaller imports, the per capita consumption in 1942 declined to 43.6 pounds. The importance of fishing to the economy of the country cannot be overemphasized. As in the case of most South American countries, French Guiana too is encountering difficulties in developing its fisheries because of the shortage of fishhooks, nets, and materials for sails.

SURINAM

The coast line of Surinam (Dutch Guiana) extends for about 200 miles along the Atlantic. Fishing is known to be carried on all along the coast and inland rivers. The industry is supervised by the Agricultural Experiment Station at Paramaribo, capital of the Colony, which is also the principal landing port for fisheries. Major fishing areas are located along the estuaries of the large rivers, such as the Surinam, Coppename, Corantijn, and Marowijne. Besides the rivers and coastal waters, fishing is also practiced in the salt-water ponds within the coast line.

The total fish catch is estimated at 1,700 metric tons (or 3,748,000 pounds). Approximately 80 percent of the catch is landed at Paramaribo. A survey of the fisheries of Surinam was made in the latter part of 1942 and early 1943 by Dr. Geyskes, a Netherlander, who studied the methods of fishing, the kinds of fish caught, and also began to assemble data on the size of the catch. The results of his investigation have not yet been published.

There is no production of canned fish in Surinam, but substantial quantities of cured fish are produced. Of the estimated catch, approximately 34 percent is consumed fresh, while of the remainder 57 percent is dried and 9 percent is salted.

Surinam normally imports about 1,500,000 pounds of fish annually, two-thirds of it cured and the remainder canned. Major sources of supply in prewar years were the Netherlands (which supplied about a third of Surinam's fish imports), Canada, the United Kingdom, and the United States. During 1940 and 1941, Canada was the major supplier, while substantial quantities were also imported from the United States and the United Kingdom. Exports from Surinam amounted to only 1,000 pounds, all of it dry-salted and all of it going to Curacao and Aruba.

The fishing industries of Surinam, like those of the neighboring Guianas, seem to play a vital role in the economy of the country. Estimated on an edible basis, the catch is reduced by 50 percent to 1,874,000 pounds, while on the same basis average annual imports amount to 1,984,000 pounds. Production plus imports yield a per capita consumption of 21.4 pounds for a population of approximately 180,000.

CONCLUSIONS

The annual fish catch for all South American countries is estimated at 516,000,000 pounds, equivalent to 258,000,000 pounds of an edible basis. Domestic consumption is estimated at 334,000,000 pounds (edible), indicating an average deficit of 76,000,000 pounds which have been derived from imports. These averages are based for the most part on 1937–42 statistics. During recent years a trend toward self-sufficiency and the establishment of an export trade are noticeable. In 1942 the catch had risen to 549,000,000 pounds, or 274,000,000 edible. In the same year, net imports declined to 21,420,000 pounds, while Argentina and Chile showed net exports of 2,186,000 pounds, thus decreasing the deficit to only 19,000,000 pounds for the continent. *Actually*, however, the supply situation did not improve for the continent as a whole because the increase in the catch was exceeded by the sharp decrease in imports plus the quantity exported. Consumption in 1942 was, therefore, 293,523,000 pounds, or about 40,000,000 pounds less than the average for the period under consideration.

The countries showing the largest fish catch are Brazil, Argentina, Venezuela, Peru, and Chile, in the order named, They produce 95 percent of the entire South American catch. They also produce nearly all of South America's canned fish, with the exception of a small quantity in Uruguay, and nearly all of the cured fish with some minor exceptions. Cured fish normally comprised 62 percent of the total South American fish imports prior to 1942, while canned fish accounted for 36 percent. The remainder was made up of fresh fish. Major individual import items are: dry-salted codfish, canned sardines, herring in brine, canned salmon, and canned oysters. Codfish and sardines account for 72 percent of all fish imports. Fishery products were imported from 23 countries, of which 18 are outside of South America. Of the 23 countries, 15 are non-Axis and 8 are Axis or Axis-occupied. Since the war, imports from Axis territory have been practically eliminated—which is one reason for the sharp decrease in imports, other reasons being the shipping situation and the curtailment of food exports from non-Axis and neutral countries.

Newfoundland is the largest supplier of fish to South America. Other large suppliers are the United States, the United Kingdom, Iceland, and Portugal. The bulk of exports of fish from South America goes to the United States and to neighboring countries within South America.

Fish consumption in South America is surprisingly low, with the exception of the countries along the northern fringe of the continent—that is, Venezuela, British Guiana, French Guiana, and Surinam. French Guiana has the highest per capita consumption, with 48.3 pounds. Bolivia, Paraguay, and Ecuador, for which data on the catch are not available, have less than 1 pound per capita consumption—based on imports only. Of the larger countries, Chile and Argentina are the largest consumers of fish. With few exceptions, fish is not considered an essential part of the South American diet.

Expansion of fisheries is in process in all South American countries, with notable increases in the larger countries. Exportable surpluses were derived from Argentina and Chile, with larger surpluses in prospect for 1944 from those two countries and from Brazil, Venezuela, and Peru.

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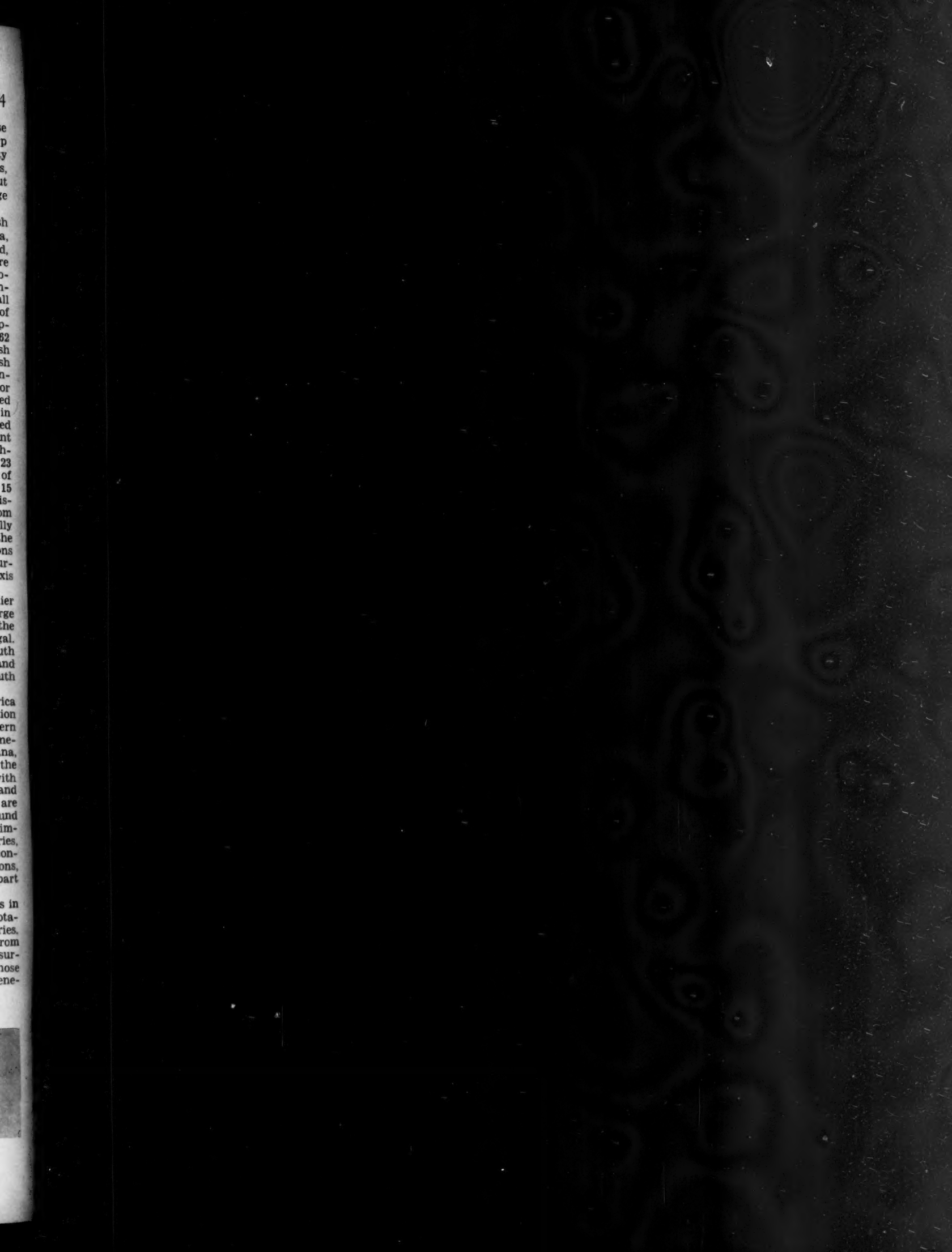
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